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MONTSERRAT

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1 - 4	3
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	5 - 23	3
	A. Constitution	5 - 10	3
	B. Constitutional development	11 - 22	4
	C. External relations	23	6
III.	ECONOMIC CONDITIONS	24 - 53	7
	A. General	24	7
	B. Public finance	25 - 28	7
	C. Agriculture, livestock, fisheries and forestry	29 - 37	7
	D. Industry	38 - 39	8
	E. Communications and other basic facilities	40 - 41	9

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CONTENTS (continued)

		Paragraphs	Page
F.	Tourism	42 - 45	9
G.	Public works	46 - 51	10
H.	Assistance from the United Nations system of organizations	52 - 53	11
IV.	SOCIAL CONDITIONS	54 - 60	11
A.	Labour	54	11
B.	Public health	55 - 56	12
C.	Educational conditions	57 - 60	12

MONTSERRAT 1/

I. GENERAL

1. Montserrat is situated in the Leeward Islands in the eastern Caribbean, 43 kilometres south-west of Antigua and 64 kilometres north-west of the French Overseas Department of Guadeloupe. It has a maximum length of 18 kilometres and a maximum width of 11 kilometres and covers an area of 103 square kilometres. The capital of Montserrat is Plymouth.

2. At the last census taken in 1980, the population was 12,074. In 1985, over 30 per cent of the population was under 15 years of age and 58 per cent was between the ages of 15 and 64. The median age was estimated to have increased from 20.6 in 1980 to 25.5 in 1985. In mid-1988, the population was estimated at 12,000. 2/

3. On 17 September 1989, the Territory received the full force of Hurricane Hugo, with sustained winds of between 170 and 190 miles per hour (between 274 and 306 kilometres). Eleven people were killed; over 80 per cent of private and commercial accomodation was destroyed or significantly damaged; public buildings, including schools, were destroyed; electricity and air and sea telecommunication services were disrupted; and extensive damage was caused to agriculture, fisheries and forestry. Total damage was estimated at $US 244 million. 3/

4. The territorial Government received emergency assistance from the Governments of the United Kingdom of Great Britain and Northern Ireland, Canada and the United States of America, as well as from some Caribbean Governments. In addition, regional and international organizations and multilateral agencies provided relief and other assistance. On 12 October 1989, the General Assembly of the United Nations adopted resolution 44/3 entitled "Emergency assistance to Antigua and Barbuda, the British Virgin Islands, Dominica, Montserrat and Saint Kitts and Nevis", by which the Assembly urged all States, as a matter of urgency, to contribute generously to the relief, rehabilitation and reconstruction efforts in the affected countries.

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitution

5. The Territory is administered under a series of constitutional instruments, which came into force in 1960 and were amended in 1971 and 1975. These are the Montserrat Letters Patent 1959, the Montserrat Royal Instructions 1959, the Leeward Islands (Emergency Powers) Order 1959 and the Constitution and Election Ordinance. In brief, the Government consists of a Governor, appointed by the Queen, an Executive Council and a Legislative Council.

6. The Governor is responsible for defence and internal security, external affairs, the civil service and the administration of the Courts. He continues to have reserved legislative powers necessary in the exercise of his special

responsibilities and has the exercise of pardon in capital offences. On other matters, however, he is normally bound to act in accordance with the advice of the Executive Council. In the absence of the Governor, the Speaker of the Legislative Council acts as Governor.

7. The Executive Council consists of the Governor as President, the Chief Minister, four other ministers and two ex-officio members, the Attorney-General and the Financial Secretary.

8. The Legislative Council consists of a Speaker, two ex-officio members (the Attorney-General and the Financial Secretary), seven elected members returned from single-member constituencies and two nominated members. The Constitution provides for a Leader of the Opposition.

9. Under the Constitution, the Governor appoints as Chief Minister the elected member of the Legislative Council most likely to command a majority in that body. The other ministers are appointed by the Governor on the advice of the Chief Minister. Ministers are assigned responsibility for any government business, except in those areas for which the Governor retains responsibility.

10. The jurisprudence of Montserrat is based on the common law of the United Kingdom, together with locally enacted legislation. The judiciary comprises the Court of Summary Jurisdiction, the Magistrates' Court, the Juvenile Court and, by special arrangement, the Eastern Caribbean Court, which consists of a High Court of Justice and a Court of Appeal. Appeals to Her Majesty's Privy Council are governed by the Montserrat (Appeals to Privy Council) Order 1967.

B. Constitutional development

11. During the period under review, the Secretariat received information concerning constitutional developments in Montserrat from the Organization of Eastern Caribbean States (OECS) 4/ and from the administering Power. 5/ That information and other press reports are summarized below.

Organization of Eastern Caribbean States

12. According to a communiqué released at the conclusion of the sixteenth meeting of Heads of Government of the Organization of Eastern Caribbean States, held at Castries, St. Lucia, in November 1989, the leaders received a report from the Chief Minister of Montserrat on the intention of the Government of the United Kingdom to impose a new Constitution on the Territory. In a statement on Montserrat, the heads of Government noted the special relationship and integral links between Montserrat and other members of the organization and expressed the view that, following their consideration of the draft constitution order, they found it to be "absolutely repugnant". They concluded that the draft constitution order amounted to a retrograde step in the constitutional advancement of the people of Montserrat. The statement noted that the order deprived the people of Montserrat of the right to exercise their free will through a duly elected Government and set back the constitutional development of the Territory which had enjoyed an advanced

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Constitution since 1962 when the ministerial system of government was introduced. It noted also that the draft order "rejected the authority vested in the elected members of the Legislative Council and accorded to the representative of the administering Power a degree of autocratic power that resembled the worst forms of colonialism".

13. The heads of Government also stated that self-determination was an accepted right of peoples the world over and expressed their displeasure over serious implications of the constitutional order, not only for the development and aspirations of the people of the non-independent Caribbean countries, but for the Caribbean as a whole. In that connection, the heads of Government called upon the Government of the United Kingdom to reconsider the imposition of the proposed constitution and urged that the fullest consultation be held in Montserrat, and the wider Caribbean, in order to ensure that the constitutional status of Montserrat was not retarded and the right to self-determination of the people of Montserrat was maintained.

Position of the administering Power

14. In November 1989, the Acting British High Commissioner in Barbados wrote a letter to the Chairman of OECS, in which he outlined the views of the Government of the United Kingdom and explained the background to the proposed changes to the Montserrat Constitution.

15. The Acting High Commissioner noted that earlier in the year the international auditors, Coopers and Lybrand, had been commissioned by the British Government to carry out a survey of the offshore finance sector of the five British Caribbean dependent Territories. Serious allegations of a banking fraud involving some 20 banks licensed in Montserrat had come to light after the review was launched. Subsequent investigations by the Montserrat police force, assisted by Scotland Yard, had revealed widespread irregularities. A local task force had been set up to inspect the records of the offshore banking sector, which had resulted in the revocation of the licences of over 130 of the 270 banks licensed in Montserrat, mainly for non-compliance with local banking regulations. British and United States authorities were investigating a number of cases of large-scale fraud associated with banks licensed in Montserrat.

16. The Acting High Commissioner further noted that the United Kingdom Government was responsible for the maintenance of the existing Government in Montserrat. In the light of the serious damage done to the international reputation of Montserrat and to the confidence in the offshore banking sector, the United Kingdom Government had no alternative but to transfer the responsibility for that important sector from local ministers to the Financial Secretary, a local official who would be answerable to the Governor. A well-managed international service sector, not tainted with international ill repute, had an important part to play in Montserrat's future development, he stated, adding that the British Government would be neglecting its duty to the people of Montserrat if it failed to intervene to restore confidence.

17. The Acting High Commissioner stressed that the transfer of responsibility for offshore finance from local ministers to the Governor required an amendment to the

Constitution of Montserrat and that the opportunity would be taken to consolidate Montserrat's existing constitutional instruments into a single document, which could be easily accessible to, and understood by, all the people of Montserrat. An important addition to the Constitution would be a bill of human rights, which had not been included in the previous Constitution. The bill of human rights would bring that aspect of Montserrat's Constitution into line with the other democratic countries of the region and would ensure that any citizen of Montserrat could seek to have those right enforced.

Other reports

18. According to press reports, constitutional talks held in London on 6 December 1989 produced an agreement between the Government of the United Kingdom and the Chief Minister of Montserrat over the new Constitution, which came into effect by Order in Council on 13 February 1990. 6/

19. Prior to going to London, the Chief Minister was reported to have reacted strongly to the proposed constitutional amendments and to have stressed that the imposition of a new Constitution was unwarranted. He had reportedly received the support from the Meeting of Heads of Government of OECS, which had characterized aspects of the constitutional proposals as "repugnant" (see para. 12).

20. The Chief Minister was reported to have stated that he would take the matter to the United Nations and to the International Court of Justice. He was not backed by the Leader of the Opposition, Mr. Bertrand Osborne, who accused the Government of failing to handle offshore banking properly and expressed the view that, in order to bring such a vital sector back to the Territory, he would support a transfer of the portfolio from the Chief Minister to the Governor or any other authority.

21. According to those reports, controversy had centred on articles 16 and 45 of the new Constitution. However, at the discussion in London, the Chief Minister accepted article 16, which added "financial services or any directly related aspect of finance" to the Governor's powers.

22. In return, the administering Power added a provision which would recognize the right of the people of Montserrat to self-determination. It was also reported that the United Kingdom had dropped article 45. Under that article, the Governor would have had the power to introduce certain types of legislation into the Legislative Council and to give effect to that legislation, even if the Legislative Council had not passed it.

C. External relations

23. The Territory continued its membership in the Caribbean Community and Common Market and OECS, as well as in the institutions associated with both groupings, including the University of the West Indies, the Caribbean Development Bank (CDB) and the Eastern Caribbean Central Bank. It is an associate member of the Economic Commission for Latin America and the Caribbean (ECLAC) and its subsidiary body, the Caribbean Development and Co-operation Committee.

III. ECONOMIC CONDITIONS

A. General

24. The main sectors of the Territory's economy are tourism and related activities, the building industry and government expenditures. Preliminary estimates released by CDB suggest that real Gross Domestic Product grew by 12 per cent in 1988, compared with 10.8 per cent in 1987. That growth was mainly the result of increased construction activity for the third successive year and a large capital investment by the public sector to refurbish power-distribution lines island-wide. 7/

B. Public finance

25. According to CDB, the consumer price index for the first 10 months of 1988 reflected a 1.6 per cent increase in prices, compared with 2.7 per cent in 1987. That rate of inflation was caused mainly by an increase in food and tobacco prices. 7/

26. During 1988, bank deposits rose by 23.3 per cent to $EC 26 million, while loans and advances rose by 10 per cent to $EC 14.4 million. The bank-loan portfolio was dominated by loans to finance the purchase of houses and land, consumer goods and other personal commodities, as well as by tourism-related activities. Long-term loans, i.e., loans payable in five years or more, accounted for 38 per cent of total loans. The structure of interest rates was altered in 1988, with the upper limit on three- and six-month time deposits being lowered. 7/

27. The current balance-of-payments deficit widened from $EC 2.3 million in 1987 to $EC 3 million in 1988. An expansion of imports, primarily raw materials, machinery and transport equipment and other manufactured goods, was consistent with the burgeoning activity in construction. It was estimated that imports for the year 1988 had risen by 25.9 per cent to $EC 18.1 million, while exports had declined by 35.9 per cent to $EC 1.6 million. The decline in exports was attributed to a decrease in the number of electronic assembly contracts concluded by local manufacturers. 8/

28. According to CDB, the public debt in 1988 was $EC 0.8 million. 8/

C. Agriculture, livestock, fisheries and forestry

29. The Government continued to pay special attention to the development of agriculture in the Territory. According to CDB, agricultural sector growth was 3 per cent in 1988 (6.3 per cent in 1987), which could be attributed to an increase in the production of root crops and vegetables, livestock production and fishing. The sector's contribution to GDP increased from 4.9 per cent in 1987 to 5.2 per cent in 1988. 7/

30. As previously reported, the Government made plans for the upgrading of the agro-processing facility of the Territory to continue during 1988. The United

States Agency for International Development (USAID) provided a grant of $EC 26,800 for the test-marketing of mango jam, made from a natural fruit and developed by the agro-processing plant.

31. Montserrat's fishing industry, the major source of income for the coastal population, is mainly artisanal, comprising some 200 fishermen who actively exploit the demersal fish-landing areas scattered along the west coast. The fishing fleet of 102 boats is made up of open, wooden keel (transom) craft, and cabin or decked boats which are nearly all powered by outboard motors ranging from 25 to 55 horsepower.

32. As stated previously (see para. 3), Hurricane Hugo caused extensive damage to agriculture, fisheries and forestry in Montserrat.

33. According to an evaluation by the Office for Special Relief Operations (OSRO) of the Food and Agriculture Organization of the United Nations (FAO), 9/ damage to commercial cash crops, such as coconuts, avocados, mangoes, tamarind and citrus, was substantial. OSRO estimated that the damage would have a serious effect on the agro-processing industry, which was on the verge of major expansion and commercialization. Large numbers of livestock were killed, and the poultry and fishing industries were virtually destroyed. The agricultural infrastructure (buildings, fencing, roads and soil and water conservation works, both on farms and at government stations) was largely destroyed.

34. Hurricane Hugo almost totally destroyed the trap (pot) fishery, the major fishery in Montserrat. About 95 per cent of all the pots in use along the continental shelf were destroyed, and all of the fishermen who had pots at sea also lost equipment. Moreover, many boats were beached, damaged or lost.

35. The damage to the forests of Montserrat was very severe. An estimated 75 per cent of forest trees was severely damaged, while the remaining 25 per cent suffered varying but lesser degrees of damage. Heavy rainfall and landslides, both during and after the hurricane, resulted in the massive loss of topsoil and organic matter from the forest floor, seriously destroying the forest ecosystem. Some 2,400 hectares of forest were affected.

36. The forests of Montserrat not only provide fuelwood and other forest products and act as a wildlife habitat, they also play a most important and critical role in the protection of the soil and the provision of the water supply.

37. OSRO estimates that the rehabilitation of Montserrat's agriculture, fisheries and forestry sectors will require a total of $4.5 million, of which $2.7 would be allocated for agriculture and $1.7 for fisheries.

D. Industry

38. The manufacturing sector consists mainly of small-scale production for local and regional markets. An electronic assembly plant provides employment to some 200 to 300 persons and produces components for export to the United States. Other

plants manufacture cotton yarn and garment fabric as well as furniture and leather products, mainly for local consumption; still others are agro-processing facilities. The industrial units are all located in an industrial park and benefit from the support of the territorial Government, which is seeking the expansion of their manufacturing capacity in three main areas: the manufacture of different new types of cotton yarns for the world market; the development of other products for domestic and regional markets; and the expansion of the production of artifacts for the tourist market.

39. According to CDB, the manufacturing industry, which had grown by 4.6 per cent in 1987, declined by 1.3 per cent in 1988 as a result of more competitive wages in other sectors. In the service industry, the closure of a computer data-processing operation was also reported. 7/

E. Communications and other basic facilities

40. Montserrat has a sound basic communications infrastructure, a good telephone network and modest but growing air-traffic facilities. The Ministry of Communications and Works continued to maintain existing services, while at the same time being involved in several projects designed to provide better communication facilities. In 1988, the Public Works Department spent $EC 3.8 million to upgrade the main port installations of Plymouth and $EC 1.6 million to maintain and extend roads and footpaths.

41. In 1988, the telephone company, Cable and Wireless (West Indies), Ltd., completed a new digital switch system at a cost of some $EC 22 million. The new facility is described as one of the best in the region. The system is expected to benefit all persons and companies engaged in activities related to business and tourism. It includes several new features, such as direct dialling of toll-free numbers in the United States, a conference call capability and call forwarding from one telephone number to another anywhere in Montserrat.

F. Tourism

42. The tourist industry continued to play the central role in the economy of the Territory by stimulating the construction and service industries. Tourism also continued to bring substantial foreign exchange earnings to Montserrat and to provide, directly or indirectly, employment for a significant portion of the labour force.

43. Tourist activity continued to be buoyant in 1988. For the first eight months of 1988, visitor arrivals increased by 4 per cent to 14,344, while total excursionists, including cruise visitors, grew by 13 per cent to 9,228. Of the total arrivals, stopover visitors accounted for 61 per cent and excursionists 39 per cent. An estimated 39 per cent of the stopover visitors to Montserrat originated in the United States, 9 per cent in Canada, 12 per cent in Europe, and the remaining 40 per cent came mainly from the Caribbean countries. 10/

44. As previously reported, the Chief Minister noted that there was still insufficient linkage between the tourist sector and other sectors, such as agriculture and crafts, resulting in a significant portion of the revenue from tourism being used for the importation of items that could be produced locally. He announced that the Government would do more to upgrade, promote and assist in the provision of tourist services in Montserrat.

45. OECS has formulated plans for the promotion of tourism in a number of European countries in an effort to attract more visitors from Europe. Montserrat continues to participate in these promotional activities in addition to the efforts deployed by the Department of Tourism towards the United States market.

G. Public works

46. The objective of the Public Sector Investment Programme (PSIP), initiated by the Government in 1988, is to focus on the creation of an environment conducive to private-sector growth, since this sector is seen as the prime generator of wealth. Towards that end, the Government of Montserrat intends to provide the supporting infrastructure necessary for the sector. 10/

47. During 1988, a number of projects were completed. Those included the renovation of the Blackburne airport terminal building, surfacing of the Port Authority compound, construction of additional classrooms at the schools in Plymouth and Salem and of a police station at Salem and rehabilitation of the jetty/protection of the port. The Public Works Department was also involved in jetty rehabilitation and port protection at the Plymouth port, resurfacing at Hope and Webbs, replacement of the bridge near Forest Products and the erection of bus shelters island wide. 10/

48. The Montserrat Electricity Corporation refurbished power-distribution lines island wide. Among other projects initiated during 1988 were the widening of the Belham bridge, the refurbishing of the Glendon hospital and the construction of a science block at the Church Road Secondary School. 11/

49. The Montserrat Water Authority has been involved in a number of projects, including one funded by the Canadian International Development Agency to sand-blast and repaint reservoirs island wide, to install fire hydrants throughout the Territory and to reticulate water in developing areas, as well as a water-improvement project funded by the European Development Fund. 11/

50. PSIP activities, which started in 1989 and will continue until 1994, revolve around three large projects: realignment of the Blackburne Airport runway, development of the berthing facilities at the Plymouth port and construction of a safe harbour at Carr's Bay. In addition to those major projects, the development of the Little Bay area has been also identified as one of the priorities of the Programme. This project involves the provision of site access, water management, utilities and coastal and inland stabilization to accommodate a variety of recreational facilities associated with a deluxe international resort. Completion of the above projects is expected to result in the expansion of private sector

activity in the tourist industry, with investment in the development of the Little Bay area being a priority.

51. The total cost of PSIP is estimated at $EC 115 million, considerably larger than Montserrat's previous investment programmes. Of this total, the Government is expected to contribute over 10 per cent of the funds, with the remainder being financed by loans and grants from external donor agencies. The recurrent cost implications of the programme relate essentially to the operational and maintenance costs of the airport, the port and safe harbour, training costs and marketing expenditures. These expenses are expected to be met from the increased revenue to be generated through a predicted upsurge in economic activity. 10/

H. Assistance from the United Nations system of organizations

52. The United Nations Development Programme (UNDP) has continued to be the main source of assistance from within the United Nations system. UNDP works closely with the other United Nations agencies and organizations represented in the eastern Caribbean in the co-ordination of their activities in support of the Government's development efforts. In October 1986, the Governing Council of UNDP approved the second country programme for Montserrat for the period from 1986 to 1991, in which a total of $US 1.27 million was programmed from the following sources: UNDP, $US 590,000; other organizations, including the United Nations Environment Programme (UNEP), the United Nations Population Fund (UNFPA) and the United Nations Educational, Scientific and Cultural Organization (UNESCO), as well as the Pan American Health Organization of the World Health Organization (PAHO/WHO), $US 372,000; and parallel financing from non-United Nations sources, $US 310,000. The Territory, reportedly, will also participate in multi-island and regional programmes for Latin America and the Caribbean. 11/ In February 1985, the Chief Minister announced that the United Nations Children's Fund (UNICEF), as part of its programme, would provide $US 25,000 a year for the next five years.

53. In the Estimates of Revenue and Expenditure for 1988, the following United Nations agencies and organizations were listed as contributing to the Territory's Development Fund for economic and social infrastructure: UNDP, $EC 353,000; UNICEF, $EC 153,970; and UNESCO, $EC 4,810.

IV. SOCIAL CONDITIONS

A. Labour

54. With sustained high levels of economic activity during the years 1983 to 1988, Montserrat maintained low levels of unemployment and in 1988, for the first time, reported that its entire labour force was employed. This achievement was accompanied by relatively stable rates of inflation. Several factors influenced the direction of change in the above macro-economic aggregates, among them increased migration by Montserratians leading to a reduction in the labour force, and the growing trend of Montserratians to travel to the neighbouring islands to purchase consumer goods. The territorial Government considers the immigration

policy to be a major policy issue. That policy, in its opinion, should aim at maintaining the existing social structure of the society. The issue of national identity is also important. A relevant matter is the type of labour to be imported; in instances where highly skilled labour is to be used, policy measures should ensure that some degree of skills are transferred to Montserratians. 12/

B. Public health

55. Health conditions in the Territory continue to be generally good by international standards: life expectancy is over 65 years and infant mortality is 1.7 per cent. No changes in the administration of public health services were reported during the period under review. The territorial Government continued its efforts to provide a high quality of health care to the people of Montserrat, with major emphasis placed on psychiatric services, child health services, health education and improvements in the disposal of refuse and sewage.

56. In 1988, the Minister for Health was authorized by the Government to start a National Health Insurance Scheme to which all working people in the Territory would contribute. By devising that scheme, the Government of Montserrat aims at providing the means to ensure adequate financing for the urgent acquisition of modern equipment and medication, the recruitment of skilled health-care personnel and the meeting of all requirements for general and specialized health care for all inhabitants of Montserrat.

C. Educational conditions

57. Education in Montserrat is free and compulsory for all children between 5 and 14 years of age at all government primary and secondary schools. In 1986, the latest year for which figures were available, there were 1,437 children enrolled in the nine government primary schools and 1,080 in secondary and vocational schools. There are two day-care centres and nine nursery schools, all co-ordinated by the Ministry of Education, Health and Community Services. There are also two private nursery schools.

58. In addition to nine government primary schools, there are two government-aided denominational schools, one private school and one school for the handicapped sponsored by the International Committee for the Red Cross. These primary schools provide education for children between 5 and 12 years of age.

59. The Montserrat Technical College expanded its programmes in the areas of data-entry training, data processing and industrial sewing as a response to the manpower requirements of the Territory. The College also offers an intensive one-year electronics course and has begun planning for its new role as a tertiary institution. According to a report, 13/ the College would start a new pre-vocational programme at the beginning of the 1989/90 school year. The programme is expected to last for two years and is intended to give students a chance to improve skills required for life in general and work situations. The programme will be funded by the United Kingdom Government and will be housed in a new structure built on the Church Road campus.

60. The total expenditure for education in 1988, the latest year for which figures are available, was estimated at $EC 5.9 million, compared to $EC 5 million in 1987.

Notes

1/ The information contained in this report has been derived from published reports, including Caribbean Development Bank, Annual Report 1988.

2/ United Nations, Population and Vital Statistics Report, Statistical Papers, Series A (ST/ESA/STAT/SER/A/164), vol. XLI, No. 4.

3/ The Caymanian Compass (Cayman Islands), 10 October 1989.

4/ Organization of Eastern Caribbean States (OECS) secretariat press release, Castries, Saint Lucia, 24 November 1989.

5/ British High Commission (Barbados), press release, undated.

6/ Trinidad Guardian (Port-of-Spain), 6 December 1989; Vantage (Anguilla), 13 December 1989; The Daily News (United States Virgin Islands), 6 January 1990; and The Montserrat Reporter (Montserrat), 24 February 1990.

7/ Caribbean Development Bank, Annual Report, 1988, p. 37.

8/ Ibid., p. 38.

9/ Office for Special Relief Operations (OSRO), report No. 03/89/E.

10/ Caribbean Development Bank, Annual Economic Report, 1988, Montserrat, pp. 3 and 4.

11/ DP/CP/CAR/4; see also DP/CP/CAR/Note 4.

12/ Caribbean Development Bank, Annual Economic Report, 1988, Montserrat, pp. 2 and 4.

13/ The Montserrat Times (Plymouth), 7 July 1989.

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A

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ACTIVITIES OF FOREIGN ECONOMIC AND OTHER INTERESTS WHICH ARE IMPEDING THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES IN NAMIBIA AND IN ALL OTHER TERRITORIES UNDER COLONIAL DOMINATION AND EFFORTS TO ELIMINATE COLONIALISM, APARTHEID AND RACIAL DISCRIMINATION IN SOUTHERN AFRICA

MONTSERRAT

Working paper prepared by the Secretariat

CONTENTS

	Paragraphs	Page
INTRODUCTION	1	2
I. ROLE OF FOREIGN CAPITAL IN THE TERRITORY	2 - 3	2
II. TOURISM AND REAL ESTATE DEVELOPMENT	4 - 6	2
III. MANUFACTURING	7 - 9	3
IV. INTERNATIONAL BUSINESS	10 - 13	3
V. TELECOMMUNICATIONS	14	4

MONTSERRAT 1/

INTRODUCTION

1. Basic information on conditions in Montserrat is contained in the general working paper prepared for the current session of the Special Committee (A/AC.109/1031). Supplementary information concerning the activities of foreign economic and other interests in the Territory is presented below.

I. ROLE OF FOREIGN CAPITAL IN THE TERRITORY

2. Foreign investment, mainly from Canada, the United Kingdom of Great Britain and Northern Ireland and the United States of America, continues to play a paramount role in the economy of the Territory. Foreign investment is concentrated in such major areas of the economy of Montserrat as tourism, real estate and property development, manufacturing, international business and telecommunications.

3. As indicated in the working paper prepared by the Secretariat in 1989 (A/AC.109/994), the policy of the territorial Government is to broaden the economic base of the Territory and to promote private sector investments, including joint-venture projects. The areas of foreign investment continued to be light industry, agro-industries and livestock, and the tourist industry. The Government continued to offer incentives to foreign investors through the Fiscal Incentive Ordinance, which established five categories of enterprises for tax holidays of between 10 and 15 years, and the Hotel Aids Ordinance, under which investors are exempted from customs duties on materials and equipment used in the hotel industry. Both ordinances allow the repatriation of profits, dividends and capital. The Territory also provides industrial accommodation at a nominal rent.

II. TOURISM AND REAL ESTATE DEVELOPMENT

4. Tourism and real estate development, major sectors of the economy of Montserrat, continue to remain largely under the control of expatriates. The major hotels, condominiums and villas are owned and managed by North American and European developers and retirees.

5. The level of tourist activity continued to be buoyant during 1988, as the number of stop-over arrivals increased by 5 per cent to 17,876, and the number of excursionists increased by 10.9 per cent to 12,425. Of the total visitor arrivals, 38 per cent originated in the United States, 32 per cent in the Caribbean region, 12 per cent in Canada and Europe respectively, and 6 per cent in the rest of the world. Total tourist expenditure rose by 15.5 per cent to $US 10.8 million. 2/

6. In spite of the improved performance, the average occupancy rate at the hotels remained low, at approximately 41 per cent. The average occupancy rate for the winter season, from December to March, is at least three times the 20 per cent

average occupancy rate for the rest of the year. Although a large proportion of visitors to Montserrat invest in private accommodation, the wide differential in hotel occupancy levels is indicative of the industry's seasonal pattern. Another reason for the poor average occupancy is the relatively low level of overseas marketing as a result of limited availability of financial resources. 2/

III. MANUFACTURING

7. As previously stated (see A/AC.109/994, paras. 10-15), the manufacturing sector comprises a number of small-scale enterprises, which are centred on the assembly of electronic components and the production of garments, textiles, leather and plastic goods and some processed foods.

8. As previously reported, Montserrat continues to possess a relatively small manufacturing sector, centred around enclave production on the industrial estate and production for local and regional markets in various locations in and around Plymouth. An offshore electronic assembly plant provides employment to some 200 to 300 persons and its products are exported to the United States. Some smaller plants manufacture cotton yarn and fabric, furniture and leather products, while others are engaged in agro-processing. Their products supply mainly the local market, although some are exported to regional and extraregional destinations. The Montserrat labour force is highly literate and trainable, but is characterized by a high turnover, particularly in the enclave sector.

9. The manufacturing sector declined in 1988, having lost a part in its small share in the export market. The main reason for the decline was the limited availability of qualified workers as a result of the inability of manufacturers to pay competitive wages. This, together with the low rate of investment returns in the sector, will most likely result in the closure of many businesses. Because of the labour problem, the manufacturing sector is faced with a capacity constraint which prevents many businesses from taking advantage of the incentives granted to foreign investors in the Territory. 3/ Additionally, the small and unreliable nature of the domestic market and the costliness of shipping and air freight reduce significantly the possibilities for industrial development.

IV. INTERNATIONAL BUSINESS

10. The Government continued its efforts to promote the Territory as an offshore financial and banking centre. According to the latest data available, as of the end of 1988, 246 offshore banks were licensed to begin operations, of which 143 were registered during 1988. 4/

11. A growing concern over the legitimacy of some of those banks resulted in the decision of the territorial Government to review and revise its offshore banking legislation. According to press reports, 5/ in 1989 the Government stopped issuing new licences and took steps to revoke the licences of more than 100 of the banks. Five United States citizens owning businesses in the Territory were reported to

have been arrested. Evidence on the use of Montserrat for fraud and money laundering was reported to have increased friction between the administering Power and the territorial Government. 5/

12. During 1988, the foreign banks licensed in the Territory earned for Montserrat $US 762,577 in registration and renewal fees. 5/

13. In a major review of Caribbean dependent Territories published by the British Foreign Office, 6/ the Caribbean region was identified as one of the main staging posts for drug dealers whose intention was to slip drugs into North America and Europe. In that context, the Government of the United Kingdom encouraged its dependent Territories, which already had a modicum of self-government, to sign mutual assistance treaties with the United States (see A/AC.109/786, paras. 11-15), in order to dissuade foreign banks from transferring money of doubtful origin.

V. TELECOMMUNICATIONS

14. As previously reported (see A/AC.109/994, para. 19), Cable and Wireless (West Indies) Ltd., continues to provide Montserrat with local and world-wide telephone, telegraphic telex and facsimile services.

Notes

1/ The information contained in this paper has been derived from published reports, including the Caribbean Development Bank, Annual Report, 1988.

2/ Caribbean Development Bank. Annual Economic Report, 1988, p. 1.

3/ Ibid, pp. 1 and 2.

4/ Ibid, p. 2.

5/ The New York Times, 27 July 1989.

6/ The Montserrat Reporter (Plymouth), 5 February 1988.

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AMERICAN SAMOA

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1 - 8	3
	A. Introduction	1 - 4	3
	B. Population	5 - 8	3
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	9 - 38	4
	A. General	9 - 22	4
	B. Future status of the Territory	23 - 33	6
	C. Public service	34 - 36	7
	D. Regional co-operation	37 - 38	8
III.	ECONOMIC CONDITIONS	39 - 73	8
	A. General	39 - 42	8
	B. Public finance	43 - 51	9

CONTENTS (continued)

		Paragraphs	Page
C.	Land tenure and agriculture	52 - 55	11
D.	Fisheries	56 - 58	12
E.	Industries	59 - 60	12
F.	Transport and communications	61 - 68	13
G.	Tourism	69	14
H.	Financial institutions	70 - 71	14
I.	Assistance from the United Nations system	72	15
J.	Foreign economic activities and interests	73	15
IV.	SOCIAL CONDITIONS	74 - 91	15
A.	Labour	74 - 77	15
B.	Immigration	78 - 79	16
C.	Health and social activities	80 - 87	16
D.	Housing	88 - 91	17
V.	EDUCATIONAL CONDITIONS	92 - 94	18

AMERICAN SAMOA 1/

I. GENERAL

A. Introduction

1. American Samoa is an unincorporated Territory 2/ administered by the United States of America. It consists of six islands (Tutuila, Aunuu, Ofu, Olosega, Tau and Rose) of the Samoan group in the South Pacific, together with Swains Island, located 340 kilometres north of Tutuila. The climate is tropical, characterized by wet and dry seasons. The total land area of the Territory is 197 square kilometres, about 70 per cent of which is covered by dense forest; only 5,000 hectares of the remaining land surface are suitable for agriculture. Pago Pago, the capital, is located on Tutuila, the largest of the islands, where 90 per cent of the population lives.

2. Europeans first visited the Samoan archipelago in the 1700s, but not until the early nineteenth century did foreign Governments make contact with the local chiefs for commercial advantage. The United States, Britain and Germany came to dominate the economic life of the islands in the middle of the century, appointing consuls to Apia, Western Samoa, between 1847 and 1861. No formal relationship was established until 1878 when the then independent Kingdom of Samoa gave the United States the right to establish a coaling station at Pago Pago harbour.

3. By the Tripartite Treaty of 1899, Great Britain and Germany renounced in favour of the United States all claims to the Samoan islands east of the 171st meridian. The islands west of that meridian (now the independent State of Western Samoa) were assigned to Germany.

4. In April 1900, the Samoan high chiefs formally ceded the islands of Tutuila and Aunuu to the United States, and in July 1904 the cession was expanded to include the four islands of the Manu'a group (Ofu, Olosega, Tau and Rose). Swains Island was annexed in 1925 and is currently administered as an integral part of American Samoa. The islands officially became a United States Territory under a joint resolution approved by Congress on 20 February 1929, which vested final authority over American Samoa in the President of the United States.

B. Population

5. The current population is approximately 38,940 3/ and more than half are under the age of 18. 4/ Over 90 per cent of the residents of the Territory are ethnically Samoan, including about 10,000 Samoans of Western Samoan nationality. The balance of the population is made up of Caucasians (2.5 per cent), neighbouring islanders from Tonga, Tokelau and Niue (3.5 per cent) and various other groups.

6. The Territory's population has increased only slightly over the past decade mainly because continued emigration to the United States has offset natural population growth. Since 1974, an average of 382 people per year have emigrated.

An estimated 85,000 American Samoans live in the United States, principally in the States of Hawaii, California and Washington. 5/

7. Anyone born in American Samoa is a United States national and entitled to a modified United States passport. The only substantial legal difference between a citizen and a national is that the latter, as a non-citizen, can neither vote in United States elections nor be drafted, although many have served in the United States armed forces. United States nationals, however, can normally acquire United States citizenship without difficulty.

8. The American Samoan way of life is structured around a social system of clans, or extended families (aiga) and their chiefs (matais). A village may comprise several related families. The matai is chosen by the family members and is responsible for the well-being of the aiga, the maintenance of family lands and the communal economy, which still prevails in village life. The Samoan and English languages are spoken in the Territory and most American Samoans are bilingual. 5/

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

9. On becoming a Territory, American Samoa was governed pursuant to the joint congressional resolution of 20 February 1929 (see para. 4). Subsequently, by an executive order issued in 1951, the President of the United States placed the administration of the Territory under the Secretary of the Interior.

10. In June 1954, a committee was created to draft a constitution for the Territory. Its work was completed in 1960 and the first Constitution of American Samoa came into effect in October of that year.

11. The present structure of government was set out in the Constitution of 1960 which provided for three separate branches: executive, legislative and judicial. The revised Constitution of 1967, as amended in 1970 and 1977, serves as the legal basis of government (see A/AC.109/818, paras. 12-20). In September 1979, the Second Temporary Future Political Status Commission, created by the Government of American Samoa, recommended that the Territory should remain an unincorporated territory of the United States but that the issue should be reassessed in 10 to 15 years. 5/

12. In November 1986, voters in American Samoa, by a two-to-one majority, rejected changes to the Constitution recommended by a constitutional review committee. 6/ The rejected changes had contained provisions relating, inter alia, to expansion of the territorial legislature, qualifications and impeachment of public officials and judicial reconstruction.

13. Since 1977, both the Governor and the Lieutenant-Governor are elected by direct vote. Since 1981, the Territory also elects by direct vote a non-voting delegate to the United States House of Representatives. The current delegate, Mr. F. H. Faleomavaega, was elected in November 1988. In 1984, American Samoans

participated for the first time as voting delegates at the Democratic National Convention. The Republican Party of American Samoa was organized in 1985 and participated in the Republican National Convention for the first time in 1988. 7/

14. Pursuant to an act of the United States Congress, the people of American Samoa are now the final ratifying authority over the territorial Constitution, and the United States Secretary of the Interior is no longer authorized to make changes in the Constitution unilaterally.

Executive

15. The executive branch consists of the Governor, the Lieutenant-Governor and various department heads. The current Governor, Mr. Peter Tali Coleman, was elected in 1988 concurrently with the Lieutenant-Governor, Mr. Galea'i Poumele. Under the Constitution, the Governor is responsible for executing those United States laws and portions of the United States Constitution applicable to American Samoa, as well as the American Samoan code and executive rules. He has general supervision of all operations within the Territory.

Legislature

16. The bicameral legislature, or Fono, may pass laws with respect to subjects of local application, provided they are not inconsistent with United States laws in force in the Territory or with treaties or international agreements of the United States Government. The legislature convenes for 45-day sessions twice a year.

17. The Senate comprises 18 members who are elected every four years from among the matais by the councils (fonos) in the 14 counties or groups of villages, in accordance with American Samoan custom. 5/

18. The House of Representatives is composed of 20 voting members elected for two-year terms by universal adult suffrage. There is also one non-voting delegate from Swains Island, who is elected at an open meeting by the permanent adult population of the island.

19. Both houses have identical powers, and a majority of both houses voting together is required for passage of a bill. The legislature may appropriate funds raised from local revenues and make recommendations regarding the annual budget prepared by the Governor, including requests for federal funds.

Judiciary

20. The judiciary consists of a high court with jurisdiction throughout the islands, a district court and several village courts. There are three divisions of the High Court: (a) appellate, (b) trial and (c) land and title. The judicial branch is independent of both the executive and legislative branches. American Samoa is not within a federal judicial district or circuit, and there is no prescribed channel for appealing decisions of the High Court of American Samoa. 8/

21. The Chief Justice and the Associate Justice of the High Court are appointed by the United States Secretary of the Interior. The Lands and Titles Division of the High Court adjudicates claims to traditional matai titles and property-boundary disputes. The United States civil and criminal codes, augmented by such local laws and regulations as enacted by the territorial legislature, constitute the law adjudicated in the courts. The current Chief Justice, Mr. Michael Kruse, who was appointed on 1 November 1988, is the first indigenous American Samoan to hold that position. 9/ Associate judges of the High Court and the District Court judge are appointed by the Governor on the recommendation of the Chief Justice; their appointments are subject to confirmation by the territorial Senate.

22. The Office of Public Defender provides legal representation to those unable to afford counsel in criminal, juvenile, traffic, immigration and mental-health commitment proceedings.

B. Future status of the Territory

23. The United Nations Visiting Mission to American Samoa of 1981 reported that elected and traditional leaders had expressed satisfaction with the existing political status of the Territory (see A/AC.109/679, paras. 348-351). The Mission sensed that that satisfaction with the status quo derived from the heavy dependence of the Territory on economic and financial support from the United States and attachment to the traditional social structure. During public discussions, however, the Mission found that, in general, people outside the political leadership had very little knowledge of the implications of the political alternatives available to them.

Position of the United States

24. In a statement to the Fourth Committee of the General Assembly on 23 October 1989, 10/ the representative of the United States said that American Samoa had become virtually self-governing. It was represented in the United States House of Representatives by an elected delegate who could vote in any committee and who could be chairman of sub-committees.

25. Competitive, free elections were held on a regular basis. The people of American Samoa, while desiring to maintain their unique cultural identity, had reaffirmed in election after election their strong desire to maintain a close relationship with the United States. The Government of the United States was ready to respond to the wishes of the people of American Samoa regarding their future political status whenever they indicated the direction in which they wished to proceed.

26. The United States representative further stated that Governor Peter Tali Coleman (see para. 15) had conveyed the will of the American Samoan people to maintain their close relationship with the United States. Governor Coleman had made clear that their relationship could continue to coexist in harmony with the Territory's traditional land tenure system, with the cultivation of Samoa's common cultural heritage with its Pacific Island neighbours

and in a manner which would foster the development of future political leaders of its society.

27. The United States representative stated that there was no military base or permanent troops stationed in American Samoa.

28. The United States representative further stated that the suggestion that United States administration of its Territories was inadequate did not accord with reality.

Action taken by the General Assembly

29. On 11 December 1989, the General Assembly adopted resolution 44/97 on the question of American Samoa, by which, inter alia, it called upon the United States, as the administering Power, to take all necessary steps, bearing in mind the rights, interests and wishes of the people of American Samoa as expressed freely in any act of self-determination, to expedite the process of decolonization of the Territory and reaffirmed the importance of fostering an awareness among the people of American Samoa of the possibilities open to them in the exercise of their right to self-determination and independence.

30. The General Assembly reaffirmed the responsibility of the administering Power to promote the economic and social development of the Territory and called upon it to intensify its efforts to strengthen and diversify the economy of the Territory.

31. The General Assembly further urged the administering Power, in co-operation with the territorial Government, to take effective measures to safeguard and guarantee the inalienable right of the people of American Samoa to own and dispose of the natural resources of the Territory, including marine resources, and to establish and maintain control over the future development of those resources.

32. The General Assembly urged the administering Power to continue to foster close relations between the Territory and other island communities in the region and to promote co-operation between the territorial Government and regional institutions as well as the specialized agencies and other organizations of the United Nations system.

33. The General Assembly, reaffirming the value of sending a further visiting mission to American Samoa, requested the Special Committee to continue the examination of that question, including the possible dispatch of a further visiting mission to the Territory, in consultation with the administering Power.

C. Public service

34. According to the 1988 American Samoa Statistical Digest, the Government of American Samoa continued to be the single largest employer in the Territory, accounting for 3,800 persons or 36 per cent of the employed labour force. It currently provides the following services: public protection, sanitation, health

and social services, culture and recreation, education, public improvements, port facilities, power, water, roads, planning and zoning and general and administrative services.

35. In January 1990, the Governor of American Samoa issued Executive Order No. 1-90, stating that, owing to the "continuing deterioration of the American Samoan Government's financial status" (see para. 49) he was compelled to reduce the work week of American Samoan government employees from 40 to 36 hours. The Governor stated that medical personnel, police and power generation employees would be exempt from the Order and that "this policy will remain in effect until the financial condition of the territorial Government improves". 11/

36. According to the Treasurer of American Samoa, the short work weeks would continue until 30 September 1990 if the Government's financial condition did not improve. 12/

D. Regional co-operation

37. American Samoa is a member of some 14 regional organizations, including the South Pacific Commission, the Pacific Basin Development Council, the Pacific Tuna Development Foundation, the Pacific Islands Association, the Asian-South Pacific Bureau of Adult Education, the Pacific Asia Travel Association, the South Pacific Regional Environment Programme and the Council of Pacific Arts, as well as such United States organizations as the National and Western Governors' Conferences. 13/ The Government of American Samoa has signed memoranda of understanding with the Governments of Western Samoa and Tonga on mutual economic co-operation and has sent trade missions to other countries in the Pacific.

38. According to press reports, in March 1990, American Samoan and Western Samoan leaders concluded a second round of talks at Pago Pago aimed at promoting closer co-operation between the two. The talks covered improved travel, co-operation in public works and a move by Western Samoa for easier access to American Samoa for its agricultural products. 14/

III. ECONOMIC CONDITIONS

A. General

39. American Samoa suffers from many of the economic constraints, such as geographical isolation and limited resources, common to most island societies in the South Pacific. According to the Speaker of the Legislature of American Samoa, the Territory suffers also from a lack of venture capital, and from a scarcity of land, economies-of-scale difficulties, high labour costs and inadequate infrastructure.

40. As stated in earlier reports, American Samoa's close links with the United States have given it higher levels of economic expectation, living standards and living costs than many neighbouring communities. The lack of employment

opportunities for the young has induced many to emigrate to Hawaii and the mainland of the United States. Free access to job markets in the United States enables American Samoans to be more selective in their choice of employment and, as a consequence, many jobs in the Territory requiring few skills and offering lower pay are filled by aliens, mostly from Western Samoa.

41. The economy of American Samoa continues to be narrowly based on two fish canneries and public enterprises funded by the Government (see para. 56). Secondary industries depend largely on these two sectors. Construction depends for the most part on government-funded capital improvement projects. In an effort to lessen its dependence on both grants from the United States and the two fish canneries, the Territory has launched a campaign to attract investment to the Territory and thereby broaden its economic base. 15/

42. In 1987, imports valued at $US 346.4 million 16/ exceeded exports, which amounted to $288.1 million, leaving a trade deficit of $58.3 million, 2 per cent lower than the 1986 deficit of $59.6 million. Imports increased by 11 per cent from 1986 and exports increased by 14 per cent. Food constituted 17 per cent of the total value of imports, fuel and oil 14 per cent, building materials 18 per cent and jewellery and watches 5 per cent. Canned tuna accounted for 93 per cent of all exports in 1987 (see para. 56).

B. Public finance

43. Total revenue for fiscal year 1988 (1 October 1987 to 30 September 1988) amounted to $90.3 million representing an increase over the $89.8 million of revenue in fiscal year 1987. (Figures for the previous fiscal year are given in parentheses.) Grants from the United States Department of the Interior and other federal agencies amounted to $48.8 million ($51.7 million). In fiscal year 1987, the federal contribution included an extraordinary one-time grant of $5.3 million from the Federal Emergency Management Administration (FEMA) for the repair of damage resulting from Hurricane Tusi. 17/

44. Total government expenditure in fiscal year 1987 amounted to approximately $102.6 million ($92.6 million) which included $42.1 million for government operations, $23.9 million for education, $19.7 million for health and welfare services and $17 million for public enterprise operations. During that period American Samoa spent $6.2 million ($5.9 million) on economic development and $6 million ($3.4 million) on capital improvement projects.

45. The United States Tariff Code offers preferential treatment to American Samoa in order to stimulate industrial development in the Territory. American Samoa is also eligible for favourable duty treatment under the generalized system of preferences of Australia, Japan, New Zealand and the United States.

46. In December 1989, Governor Coleman said that the territorial Government was faced with a monumental financial crisis. The Inspector General of the Department of the Interior stated that disregard for budgetary and spending controls had resulted in American Samoa's budget deficit of nearly $13 million in one year,

compared to the Territory's budget deficit of approximately $6 million in fiscal year 1987. According to the Inspector General's audit report, part of the mounting debt could be attributed to the former Governor's authorization of salary increases totalling $2.1 million for all government employees prior to the November 1988 elections and to the territorial Government's failure to collect more than $2 million annually in excise and income taxes. 18/

47. According to press reports, since his election as Governor of the Territory, Mr. Coleman has trimmed the Government deficit by $1.5 million by cutting back on government travel and hiring. To increase revenues, he has attempted to institute a 3 per cent excise tax to replace the difficult-to-collect 2 per cent sales tax. While the lower house of the Fono has supported the tax change, however, the Senate has rejected it. 19/

48. In a televised address to American Samoans on 10 January 1990, Governor Coleman stated that if the Fono did not pass the legislation for the 3 per cent excise tax, his administration would have no alternative but to reduce the work week of government employees. 20/

49. On 17 January 1990, the Governor issued Executive Order No. 1-90 curtailing the work week of government employees from 40 to 36 hours 11/ (see also para. 35). On 22 February, however, the Governor restored the normal work week for all government employees; according to press reports, he had concluded that the Government could return to full operation at an acceptable risk to its financial situation. He believed that the Territory would have strong support in its appeal for additional federal funding to augment FEMA and insurance funds which would be released in connection with the Hurricane Ofa recovery programme (see para. 51). 21/

50. Ms. Stella Guerra, Assistant Secretary of Territorial and International Affairs, addressed a joint session of the American Samoan Legislature on 15 January 1990. Expressing concern over the Territory's financial status, she said she was pleased with the recent announcement by the Governor that a financial recovery plan would be developed to address the problem. She said her office was willing to provide technical assistance to help to implement such a plan if it was comprehensive and contained specific actions and a time schedule to ensure the financial viability of the local Government. She warned, however, that the plan should not be based on an assumption of additional federal appropriations. She emphasized the importance of the Fono and the Governor working together to explore innovative ways to expand the Territory's revenue base and to establish budget priorities. 22/

51. In early February 1990, Hurricane Ofa struck American Samoa. Great devastation was reported although a complete damage assessment has not been made available yet. As of 22 February 1990, FEMA Disaster Application Centers in American Samoa had received some 3,329 registered applications for disaster assistance. 21/

C. Land tenure and agriculture

52. Land in American Samoa is classified as follows: freehold land is that acquired by individuals before the year 1900 through grants issued by the Supreme Court of Samoa and is the only land without restrictions on transfer of title or lease tenure. Government land comprises land transferred by the United States Department of the Interior to the Government of American Samoa; land acquired through condemnation; land conveyed to the Government by native owners, right-of-way easements; and reclaimed land. Church land is that acquired by religious organizations through court grants or through conveyances by native owners. Communal land is subject to the existing native land tenure system. Individually owned land is that acquired by individuals by means of court grants after the year 1900 or through the transfer of communal land with approval of the Governor of American Samoa.

53. Approximately 90 per cent of the land is owned in common by Samoan families and is the traditional primary basis for family organization. Under the existing Samoan Land Tenure Act, all land except freehold land is inalienable to any person who is less than one half American Samoan. Without written approval from the Governor, it is unlawful for any matai (chief) to alienate any family lands or to lease such lands for more than 55 years. According to the annual report for 1987, communal land transferred to individuals increased from 418 hectares in 1975 to 651 hectares in 1986. During the period from 1975 to 1986, freehold land remained unchanged at 411 hectares, Government land increased from 612 to 645 hectares, church land increased from 374 to 391 hectares and communal land increased from 584 to 647 hectares.

54. Prospects for agricultural development are extremely limited. Efforts in this sector are aimed at increasing the production of vegetables and other food crops, mostly for local consumption. According to the 1988 American Samoa Statistical Digest, there are 1,129 farms for home consumption and 201 small commercial farms that sell their produce at local markets. The average size of the latter is 1.8 hectares. Most of the commercial farming consists of mixed operations producing poultry, livestock and crops. Agricultural produce sold at local markets declined during 1986-1987. Vegetable sales declined from 200,000 to 150,000 kilograms; taro from 180,000 to 142,000 kg; and coconuts from 134,000 to 126,000 kg. The quantity of bananas sold rose from about 385,000 to 410,000 kg during the same period.

55. In 1987, the value of food imports constituted 17 per cent of total imports, a slight decline from $141 million in 1986 to $139.3 million in 1987. Food imports during 1985 and 1984 amounted to $163.7 million and $166.7 million, respectively. The decline in food imports may be linked to efforts by the territorial Government in 1985 to reduce the Territory's dependence on imported food by setting up pilot projects to stimulate local production.

D. Fisheries

Tuna industry

56. American Samoa's tuna industry is the fourth largest tuna processor in the world and constitutes 20 per cent of the total United States tuna production. 5/ Two United States companies, the Van Camp Sea Food Company (Ralston Purina) and Star Kist Samoa, Inc. (H. J. Heinz), continued to operate large-scale tuna canneries at Pago Pago supplied by both Asian and United States vessels, as well as a local fleet of small long-line craft. In 1987, combined exports from the two canneries amounted to $288 million, compared with $252.5 million the previous year. The combined production of the canneries represents 93 per cent of the Territory's industrial output, and the Territory's tax revenues are closely tied to the tuna industry. Whereas the number of cases of tuna exported by the canneries nearly doubled in 1987, from 9.7 million in 1986 to 18.7 million, specifically an increase of about 93 per cent, the total value increased by only 19 per cent.

57. In 1987, employment in the tuna-processing industry increased to 3,745 persons, compared with 3,642 the previous year, representing approximately 36 per cent of the employed labour force. Forty foreign-owned purse-seiners and 75 long-line fishing vessels operate out of the Territory, supplying raw tuna to the canneries. Several companies exist primarily to service, repair and fuel the fishing boats.

Local fishing

58. In 1987, the number of local fishing boats declined by about 40 per cent. During the period under review, 26 boats employed 52 fishermen. In 1986, there had been 44 boats employing 88 fishermen. The decline resulted in a much lower catch of approximately 112,000 kg compared to 116,000 kg in the previous year. Of this total catch, 67 per cent was from trolling, 19 per cent from a combination of trolling and bottom fishing, 11 per cent from spear fishing and 3 per cent from bottom fishing. About 1,350 kg of fresh fish were exported to Hawaii in 1987, compared to 4,100 kg in 1986.

E. Industries

59. Canned tuna, pet foods and other fish products accounted for virtually all exports from American Samoa. Major imports included fuel and oil, machinery and parts, building materials, food, alcoholic beverages, cigarettes, jewellery and clothing. Apart from the two tuna canneries, industrial activities in American Samoa are mostly small and service-oriented. In 1987, there were 1,873 registered service, wholesale and retail businesses in the Territory, an increase of about 35 per cent since 1986. Retail business accounted for 37 per cent of all businesses, transportation and communication 25 per cent and service and wholesale businesses about 18 and 13 per cent, respectively. The remaining 7 per cent consisted of agricultural, fishing, construction, manufacturing and finance/insurance businesses.

60. Efforts to attract industry to the Territory (see para. 45) include tax cuts, import-duty concessions and special lease rates at the government industrial park.

F. Transport and communications

Land

61. Land transportation in the Territory operates on the approximately 150 kilometres of paved roads and 200 km of secondary roads, on both of which non-scheduled commercial buses operate. In 1987, there were 4,209 registered vehicles in the Territory, of which 3,749 were privately owned.

Sea

62. Several shipping companies provide regular service to Pago Pago from Asia, the South Pacific and the United States mainland. There is a daily inter-island cargo service and regular ferry service between American Samoa and Western Samoa. Pago Pago has one of the best all-weather deep harbours in the Pacific. The Government has increased its policing of the harbour to minimize environmental damage caused by dumping of waste and other pollutants, and a local firm has been contracted to clean up the harbour. 23/ Swains Island is accessible only by boat; Rose Atoll can be visited only by permit since it is a National Wildlife Refuge.

63. The development of its deep-water port as a regional centre for the trans-shipment and distribution of goods is a long-term goal of American Samoa. Western Samoa, Tonga and the Cook Islands currently ship goods through Pago Pago harbour. The number of vessels entering American Samoa fell by about 4 per cent in 1987 owing to a decline in the number of yachts and military vessels entering the Territory. Of the 954 vessels that entered the Territory in 1987, 412 were fishing boats, 215 were yachts, 167 were freighters, 111 were local boats and the remainder comprised 24 tankers, 15 military vessels, 5 cruise ships, 1 barge and 1 government ship and 3 other vessels.

Air

64. American Samoa is linked with the continental United States and other places in the South Pacific by air services. Hawaiian Airlines maintains regular schedules from Honolulu to the Territory and on to New Zealand and Australia. Polynesian Airlines and Air Nauru provide connecting flight service to the South Pacific region. Manu'a Air and Samoa Air provide daily service to the Manu'a Islands and Western Samoa.

65. The Pago Pago international airport has two paved runways, 2,743 metres and 1,829 metres long, respectively. According to the report of the administering Power, losses incurred by the airport decreased from about $1 million in 1986 to less than $128,000 in 1987. In 1987, 3,522 flights were recorded at the international airport, compared to 4,154 in the preceding period. The airport received $302,952 in federal grants. There are also smaller airstrips on the islands of Tau and Ofu. 24/

Radio, television and telephone links

66. There are two radio stations and three television channels, including a public network, which are available during the evening hours and on weekends. The Territory receives live broadcasts of the Armed Forces Radio and Television Service as well as Cable News Network from the United States. The Government-administered radio station has been leased to Radio Samoa Limited and the Government-owned television station is run by the American Samoan Department of Education. Both stations broadcast in the English and Samoan languages, for 24 hours and 18 hours a day, respectively.

67. American Samoa, through the overseas Communications Satellite corporate link, has 24-hour direct dialling to most countries. In 1987, the number of telephones in the Territory increased by 7 per cent to 7,806, while the number of overseas calls rose by over 14 per cent.

Newspapers

68. There are several commercial weekly newspapers in the Territory in both the English and the Samoan languages. The Samoa News and the Journal are the most widely read English-language newspapers.

G. Tourism

69. American Samoa's tourist industry is relatively small and highly dependent on the availability of air service to and from Hawaii and the United States mainland. The number of tourists in 1987 increased to 7,027, compared with 5,541 in 1986. There are five hotels and motels in the Territory. The Government is the majority shareholder of the principal hotel, which can accommodate 200 guests.

H. Financial institutions

70. The Amerika Samoa Bank and a branch of the Bank of Hawaii Federal Credit Union offer complete commercial banking services. The Development Bank of American Samoa, a non-commercial enterprise owned by the Government, issues guarantees and loans for development projects.

71. During 1987, the American Samoan Government began a payroll deduction programme for the Bank of Hawaii and the Amerika Samoa Bank to enable those institutions to offer low-interest home-construction loans. The loans are subsidized by a grant of $980,000 given by the territorial Government to the Development Bank for this purpose. The Development Bank estimates that about $5 million in loans can be generated through the two banks by the use of these funds. Local businesses are also eligible for loans from the United States Small Business Administration.

I. Assistance from the United Nations system

72. American Samoa belongs to various regional bodies of the United Nations system, including the World Health Organization (WHO) Regional Office for the Western Pacific and the WHO Western Pacific Regional Centre for the Promotion of Environmental Planning and Applied Studies. 13/ In 1988, the Territory was accepted as an associate member of the Economic and Social Commission for Asia and the Pacific. The Territory is also a full member of the South Pacific Commission and plays an active role in the Pacific Islands Association. 25/

J. Foreign economic activities and interests

73. According to the most recent report on the subject issued by the United Nations Centre on Transnational Corporations (A/38/444, annex), eight affiliates of transnational corporations were operating in American Samoa, of which seven had United States parent companies and one was affiliated with a Canadian firm. The firms were involved principally in banking, insurance and food production.

IV. SOCIAL CONDITIONS

A. Labour

74. The labour force in the Territory has been steadily increasing since 1980. Of the 21,190 persons between 15 and 65 years of age in 1987 the labour force totalled 12,097, compared with 11,691 in the previous year. The largest employer is the American Samoan Govenment whose work-force totalled 3,800 in 1987. The next largest employers are the two tuna canneries, which together employed 3,745 persons. The Government and the two canneries provide approximately 75 per cent of the Territory's jobs.

75. Approximately one third of the labour force are aliens from Western Samoa; there are also minor groups of Tongan, Korean, Japanese, Chinese and United States citizens. Departure from the Territory of American Samoans is pronounced among 20- to 30-year-olds, many of whom have skilled trades and are able to find higher-paying jobs in Hawaii and on the United States mainland. Their place in the Territory is taken mainly by Western Samoans and Tongans. 15/

76. The estimated unemployment rate for the Territory in 1987 was 13.5 per cent, or 1,633 persons. A 1985 household survey indicated much higher unemployment levels for those born in Western Samoa (16 per cent), compared to those born in American Samoa and in the United States (12 per cent and 7 per cent, respectively).

77. American Samoa is the only United States Territory in which workers do not receive the federal minimum wage. An estimated 9,000 workers are covered by the Federal Labour Standards Act, and 38 per cent of these are employed by the territorial Government and 32 per cent by the two tuna canneries. In May 1986, the United States Department of Labor moved to have the minimum wage in force in the United States apply to all American Samoan workers. The proposal would have

increased the minimum wage in American Samoa from $1.46 to $3.35 per hour. 26/ An American Samoan government task force predicted at the time that more than 2,000 jobs would be lost and other economically disastrous repercussions would ensue if the proposed mimimum wage was applied to the Territory. The territorial Government was not against an increase in the minimum wage, but it held that any increase must be practical and not detrimental to the Territory's economic development. In August 1986, the United States Congress, at the request of the territorial Government, rescinded the application of the minimum wage increase to American Samoa. Under the United States Fair Labor Standards Act, the minimum hourly wage rates for American Samoa in 1987 were $2.82 for the tuna canning and processing industry and $2.90 for shipping, while laundry services, retailing and other miscellaneous industries ranged from $1.46 to $2.80 per hour.

B. Immigration

78. Forty per cent of the Territory's residents are registered aliens. In 1985, American Samoa set quotas to regulate the number of aliens entering the Territory annually to work. The quotas allow the admission of 1,000 aliens from Western Samoa and 400 from other areas. Sponsorship of alien employees is limited to American Samoans, United States citizens and nationals and licensed companies.

79. In 1985, an agreement was reached between Western Samoa and American Samoa to allow relatives to visit each other's territory without visas. After abolition of the visa requirement, an estimated 3,000 Western Samoans overstayed their visit. In January 1986, restrictions were restored and Western Samoans must now obtain a visa specifying their length of stay in American Samoa.

C. Health and social activities

80. During the year ending 1988, the Government of American Samoa spent a total of $19.7 million or 19 per cent of its total budget on health and welfare, compared with $13.8 million in 1986, representing an increase of $5.9 million. During the same period, the Government spent $4.7 million on public safety, compared with $4.6 million for the previous period.

81. The main hospital in the Territory, the Lyndon Baines Johnson (LBJ) Tropical Medical Center, has 181 beds. Medical, dental and pharmaceutical services are available 24 hours a day at minimal cost to residents and visitors. Medical care is provided free to American Samoans requiring off-island treatment, including hospitalization in Guam, Hawaii or the United States mainland. The LBJ Medical Center has a staff of approximately 25 physicians (1 family practitioner, 8 general practitioners, 5 paediatricians, 1 internist, 4 surgeons and 4 obstetricians/gynaecologists). 5/

82. The Department of Health operates dispensaries throughout the Territory. In 1987, the Government turned over the Vocational Rehabilitation Work Center to Goodwill Industries, a private non-profit organization. Under a vaccination campaign to combat hepatitis B, which is endemic to the region, more than

70 per cent of the population was tested and 15,000 persons received vaccinations in 1985 and 1986. In 1987, hepatitis B declined significantly from 16 cases in 1986 to 3 cases and hepatitis A fell from 32 to 16 cases. Influenza accounted for 88 per cent of all reported communicable diseases.

83. The birth rate in the Territory rose from 34 per 1,000 persons in 1980 to 44 per 1,000 persons in 1987; 1,640 births were registered during the period 1986-1987.

84. The death rate in American Samoa has averaged 4.4 deaths per 1,000 persons annually since 1980. Infant mortality decreased in that period from 16 per 1,000 live births to about 10 in 1987. The leading causes of death in 1987 were cancer, accounting for 19 per cent of total deaths; heart disease, 12 per cent; and accidents, 7 per cent.

85. The number of outpatient visits in 1987 increased by about 6 per cent since 1986. There were 136,560 visits in 1987 (about 370 visits per day).

86. In January 1987, a Governor's council against drugs was established to mobilize the community, business and Government in co-ordinating efforts to eradicate drug use. A drug-control programme was started with the joint co-operation of the departments of public safety, customs and human resources and the LBJ Hospital. According to the annual report for 1987, there were three cases of drug offences reported in 1987.

87. The number of crimes committed declined by 15 per cent, from 2,318 in 1986 to 1,969 in 1987. The most common offences reported were disorderly conduct, assault, larceny/theft, property damage and burglary. Reported crimes committed by juveniles increased in 1987 by more than 60 per cent from 102 in 1986 to 168, including significant increases in burglary and stealing, runaway and other offences. The inmate population at the Tafuna Correctional Facility averaged 92 persons per month in 1987, an increase of about 28 per cent over 1986.

D. Housing

88. American Samoa has access to federal housing programmes and grants administered by the United States Department of Housing and Urban Development. The territorial Government has the authority to issue tax-exempt industrial development bonds up to a value of $5 million. The number of permits issued in 1987 for new buildings increased to 396 from 347 in 1986. The estimated value of the new buildings increased to $13.4 million in 1987, compared with $10.3 million in 1986.

89. In 1987, the American Samoa Power Authority (ASPA) which employed 150 people, improved its service and increased its sales to more than 66.4 million kilowatt-hours (kWh) of electricity, compared with sales of 64 million kWh in 1986. In 1987, ASPA operated at a net profit of $846,000, contrasted with a loss of $1,800,000 in 1986.

90. Water systems in American Samoa include supply and distribution systems owned by the Government and by individual villages. Because of the heavy rainfall, water availability is generally not a problem. The aging distribution systems, however, create problems from time to time, and reconditioning and expansion of the government system is being undertaken. The Government water utility more than doubled the total volume of water sold, from 5.0 million litres in 1986 to 12.7 million in 1987.

91. There are two main sewage systems on Tutuila maintained by the Public Works Department. Septic tank pumping services and sewer cleaning services are available to those areas not connected to the government systems. Private septic tank pumping services are also available. The Government provides garbage collection through a private contractor and operates a land fill for garbage disposal.

V. EDUCATIONAL CONDITIONS

92. Expenditures for education amounted to $23.9 million in 1987, or 23 per cent of total government expenditures. Education is free and compulsory for children between the ages of 6 and 18 years. More than half the population is under 19 years of age. In 1987, there were 26 public and 6 private elementary schools, 5 public and 2 private high schools, and a special-education high school. In 1987, total school enrolment rose to 13,165, compared with 12,924 in 1986. Of that number, 11,095 were attending public schools and 2,070 were in private schools compared with 11,017 and 1,907, respectively, for the 1986 school year. During 1986/87, a vocational education centre was completed and, according to the report of the administering Power, it has shown positive results as an alternative educational opportunity for young Samoans. A total of 77 students were enrolled in the vocational centre, an increase of 29 over the previous year. About 67 per cent of the Territory's students were American Samoans, 20 per cent Western Samoans, 9 per cent United States citizens and the remainder Tongan and other nationalities.

93. American Samoa Community College, established in 1970, offers two-year degree courses in the arts or sciences. It also offers certificate-of-proficiency programmes in vocational, business, clerical and nursing curricula. In 1985, the Community College began a one-year certificate programme in agriculture, with specialities in crop production and cattle-raising. Programmes in Pacific studies and computer science were also added to the curriculum through a grant from the United States Federal Government. In 1985, the College was reaccredited by the Western Association of Junior and Community Colleges.

94. Press reports indicate that for its 1990 spring semester the American Samoa Community College established an all-time high enrolment record of 1,053 students, of whom 623 were from American Samoa and the remainder from Western Samoa and other Pacific Island Territories. With 1,0[illegible]1 students, enrolment for the 1989 fall semester also established a record high. 21/

Notes

1/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United States of America under Article 73 e of the Charter of the United Nations on 13 March 1990 for the year ending 30 September 1989.

2/ An unincorporated Territory is one which has not been incorporated into the body politic of the United States by an act of Congress making the Constitution of the United States expressly applicable to it.

3/ Testimony of Governor Peter T. Coleman before the House Sub-Committee on Interior and Related Agencies Oversight Hearings in Washington on 6 February 1990.

4/ Testimony by Tuana'itan F. Tuia, Speaker of the House of Representatives, Legislature of American Samoa, before the Sub-Committee on Insular and International Affairs, Committee on Interior and Insular Affairs, United States House of Representatives, 24 February 1989.

5/ United States Department of the Interior, Fact Sheet, February 1989.

6/ Pacific Islands Monthly, April 1987.

7/ Pacific Islands, April 1988.

8/ Congressional Research Service Report for the United States Congress, 17 October 1988.

9/ Pacific Daily News, 21 October 1988; see also Radio Australia News Summary, 20 October 1988.

10/ A/C.4/44/SR.15, paras. 31-40.

11/ Samoa News, 18 January 1990.

12/ Samoa News, 19 January 1990.

13/ Yearbook of International Organizations, 1989/90, vol. 2.

14/ Radio Australia News Summary, 19 March 1990.

15/ Islands Business, September 1987.

16/ The local currency is the United States dollar ($US).

17/ Statement by the representative of the administering Power to the Sub-Committee on Small Territories of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, 16 May 1989.

Notes (continued)

18/ Marianas Variety, 19 December 1989.

19/ Star Bulletin, Hawaii, 7 February 1990.

20/ Samoa News, 11 January 1990.

21/ Samoa Journal and Advertiser, 22 February 1990.

22/ Samoa News, 16 January 1990.

23/ Official Records of the General Assembly, Forty-second Session, Fourth Committee, 20th meeting.

24/ The Europa Yearbook, 1988 (The Far East and Australasia), p. 714.

25/ Statement by the representative of the administering Power to the Sub-Committee on Small Territories of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, 3 May 1988.

26/ Testimony by Tuana'itan F. Tuia, Speaker of the House of Representatives, Legislature of American Samoa, before the Sub-Committee on Insular and International Affairs, Committee on Interior and Insular Affairs, United States House of Representatives, 25 February 1988 and 24 February 1989.

UNITED NATIONS

A

General Assembly

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SPECIAL COMMITTEE ON THE SITUATION WITH REGARD TO THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES

ACTIVITIES OF FOREIGN ECONOMIC AND OTHER INTERESTS WHICH ARE IMPEDING THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES IN NAMIBIA AND IN ALL OTHER TERRITORIES UNDER COLONIAL DOMINATION AND EFFORTS TO ELIMINATE COLONIALISM, APARTHEID AND RACIAL DISCRIMINATION IN SOUTHERN AFRICA

UNITED STATES VIRGIN ISLANDS

Working paper prepared by the Secretariat

CONTENTS

	Paragraphs	Page
INTRODUCTION	1	2
I. ROLE OF FOREIGN CAPITAL	2 - 4	2
II. MAJOR DEVELOPMENT ACTIVITIES	5 - 28	2
A. Tourism and property development	5 - 11	2
B. Manufacturing	12 - 16	4
C. International business	17 - 20	5
D. Telecommunications and airline services	21 - 28	5

UNITED STATES VIRGIN ISLANDS 1/

INTRODUCTION

1. Basic information on political, economic and social conditions in the United States Virgin Islands is contained in the general working paper prepared for the current session of the Special Committee (A/AC.109/1029). Information in the present document is confined to foreign economic interests operating in the Territory.

I. ROLE OF FOREIGN CAPITAL

2. The Territory's relations with, and proximity to, the United States of America, and its tropical climate, have continued to be an attraction to businesses in the United States and elsewhere. In an attempt to broaden its economic base and reduce its dependence on tourism, the territorial Government has embarked on an ambitious economic development programme aimed at the establishment of a sound economic and social infrastructure and the stimulation of industrial growth. Both the United States and the territorial Government have introduced a range of new tax incentives to United States and foreign private investors, which should increase benefits locally.

3. The main areas of foreign investment, primarily from the United States, are tourism and property development, manufacturing and international business. Telecommunications and airline services are owned exclusively by foreign interests.

4. In his State of the Territory address in February 1990, the Governor highlighted the role of the private sector and private investment in the reconstruction of the Territory following the devastation caused by Hurricane Hugo. The Governor noted that in addition to government resources, private savings and new investment capital would provide the major portion of the resources needed for economic recovery. In the same statement, the Governor stressed the importance of an effective partnership with the private sector in the economic development of the Territory, particularly in the stimulation of investments and re-investments, as well as in the creation and maintenance of jobs. The Governor proposed the formation of a local non-profit corporation, the Renaissance Foundation, to encourage both domestic and foreign businesses to contribute to private efforts during the Territory's recovery.

II. MAJOR DEVELOPMENT ACTIVITIES

A. Tourism and property development

Tourism

5. Tourism and related activities continued to be the main economic sector, employing approximately 75 per cent of the labour force, directly or indirectly. The number of tourists visiting the Territory in 1988 increased by over 8 per cent

to 1.9 million. Tourist expenditures also increased to $675 million ($622 million in 1987).

6. Hotel-room occupancy declined by 23.6 per cent in 1989 over 1988 figures, and neither government nor tourist industry officials are optimistic about 1990 rates. The sharp decline was attributed to damage caused by the hurricane to hotels and by adverse publicity in the United States about looting. The territorial Government noted that in 1988 a demand for 1.47 million hotel-room nights was met, whereas in 1989 only 1.15 million hotel-room nights available. A spokesman for the hotel industry expressed the view that both the Government and the hotel industry need to increase their budgets for a more aggressive marketing campaign. He expressed concern that Eastern Europe would attract United States tourists who could be potential visitors to the Territory. 2/

7. In early 1990, a number of developers applied for permits to engage in major developments throughout the Territory. Among these were the following: the Crismark Property Inc. of Dallas, Texas, and Dev Con of Toronto, Canada, which are seeking to develop property on St. Thomas. The developers have applied for the sub-division of 21 hectares on Estate Mandahl into 58 lots to create a maximum of 116 residential units, and for the development of all 202 hectares on the island of Hans Lollick. The developers also had plans on file to build a further 52 condominiums at a cost of $400,000 each on 6 hectares on Estate Mandahl.

8. In March 1990, the Coastal Zone Management considered a $56 million project to construct 140 condominiums and two restaurants on 6 hectares at Scott Beach on the east end of St. Thomas. The developer was reported to be negotiating the purchase of the land at a cost of $4.3 million. Another project would build a marina on less than one hectare of land on St. John, with a restaurant and bar, as well as a marine-repair facility. A further project on St. John called for a 120-unit condominium resort to be constructed on 9 hectares bordering on the National Park. 3/

Natural resources and conservation

9. Local individuals and other interest groups continue to oppose the rapid pace of real estate and property development in the Territory by foreigners. In that connection, a representative of the Save Long Bay Coalition appeared before the Special Committee on 7 August 1989 (A/AC.109/PV.1347) and the Fourth Committee on 13 October 1989 (A/C.4/44/SR.8) and made statements on the activities of the West Indian Company (WICO), a subsidiary of a Danish company.

10. During the period under review, several statements were made in support of effective planning and even the imposition of a moratorium on property development. In meetings on St. Thomas and St. Croix, local community leaders and visiting experts suggested, inter alia, that developers should pay a fair share for the maintenance of roads, utility services and schools since their presence had an impact in those areas; and that rules for development should be enacted and enforced and developers should provide land for open spaces and public use. The Territory's Commissioner for Planning and Natural Resources emphasized that development for tourists must not demean residents or adversely affect their long-term well-being. 4/

11. In an editorial in the Daily News issue of 12 March 1990, the newspaper commented on the overdevelopment on each of the main islands of the Territory and noted that every beach on St. Thomas, with the exception of one, would have a hotel within three to four years. It noted also that the island of St. John was almost unrecognizable and drew attention to the high cost of land and the related high cost of future residential accommodation. The editorial posed several questions and wondered when the Territory would realize that it could hardly handle the impact of existing development, much less all of the new and proposed development projects. 4/

B. Manufacturing

12. The manufacturing sector is situated on St. Croix and is dominated by the Amerada Hess Oil Refinery, a United States concern, which has the capacity to produce 728,000 barrels (nearly 152,000 kilolitres) a day. Many smaller enterprises are engaged in the production of rum, pharmaceutical products and the assembly of watches and electronic and other components. In February 1989, the territorial Government signed an agreement with the Clarendon Company, a Switzerland-based corporation and a major producer and trader of aluminium, for the purchase of the Martin Marietta alumina plant on St. Croix. The facility, which will be operated by the Virgin Islands Alumina Company, was expected to start production in early 1990.

13. No new data on imports and exports for 1988 were available. Total exports in 1987, consisting mainly of petroleum products, were valued at $2 billion, a decrease of 3.9 per cent over 1986. Total imports, mainly crude petroleum, were approximately $3.4 billion. Non-petroleum exports to the United States included 5 million watches, an increase of 210 per cent, and approximately 2 million proof gallons (7.6 million litres) of rum, a decrease of 24.4 per cent over 1987.

14. According to the territorial Government, the industrial development programme was progressing steadily prior to the hurricane. New private investment of $100 million was expected, and tenants for the additional industrial space were identified. It noted that production at the Hess Oil Refinery had been disrupted for two weeks after the hurricane but had since returned to full production capacity. The watch industry halted production for a similar period, and five of the seven firms had resumed limited production.

15. In outlining developments in the manufacturing sector, during the period under review, the Governor noted that the economy of the Territory would benefit from the decision of the President of the United States to increase the quota of watch imports from the Territory. He stated also that increases in the excise tax on rum exports to the United States would result in $7.5 million in additional revenue to the Territory annually if the level of rum production was maintained.

16. He added that, at the end of 1989, the Government had approved 17 new projects estimated at over $160 million. Those projects were expected to create over 2,200 new jobs and a new payroll of approximately $8 million a year. He stressed the territorial Government's commitment to intensifying its economic diversification programme.

C. International business

17. The Lieutenant-Governor remained the authority for the regulation and supervision of domestic and international banks, as well as for insurance and other companies.

18. In 1989, the Bureau of Internal Revenue reported a significant increase in the collection of taxes. Individual income taxes increased from $128.2 million in fiscal year 1988 to $146.3 million in fiscal year 1989 and, over the same period, corporate taxes increased from $34.2 million to $40.8 million, excise taxes remained at $13.4 million and gross receipt taxes increased from $62.7 million to $67.4 million.

19. Information on the situation regarding the insurance industry is contained in A/AC.109/1029. Briefly, the Governor reported that the industry, which had improved during 1989, suffered severe set-backs as a result of claims related to the hurricane. Two insurance companies, one domestic, failed, leaving unadjusted claims of over $55 million. The United States-based Cigna Insurance Company was leaving the Territory effective 30 April 1990. Eagle Star and two other foreign companies were also expected to leave. In anticipating another difficult market, the Government would encourage the establishment of domestic companies while it sought other companies to enter the market.

20. It was reported in March 1990 that subsidiaries in the Territory of United States or foreign companies, whose annual sales totalled $1 million, could save $176,639 in annual taxes and customs duties. Some 70 companies enjoyed benefits which include a 70 per cent exemption from the United States corporation tax; customs duties reduced to 1 per cent; tax-free profit repatriation; exemption from territorial property and excise taxes; and duty-free entry to the United States of products comprised of at least 30 per cent of local components. 5/

D. Telecommunications and airline services

21. Telecommunication services in the Territory continued to be owned and operated by United States-based interests. In January 1989, the Virgin Islands Public Service Commission (PSC), acting in accordance with a ruling of the Third Circuit Court of Appeals giving PSC jurisdiction over Virgin Islands Telephone Corporation (VITELCO), ordered that certain conditions were to be met before the sale of the company could become legal. At issue was the sale in 1987 by Shearson, Lehman and Hutton, a New York-based investment firm, of its 45 per cent interest in VITELCO to the Atlantic Tele-Network (ATN) Management Company, a Nebraska-based corporation. The International Telephone and Telegraph Corporation (ITT), the original owner of VITELCO, was reported to have lent ATN approximately $3 million to purchase the stock from Shearson, Lehman and Hutton, and to have held 40 per cent of the stock in ATN as security for the loan. Officials of ITT, ATN and VITELCO urged PSC to negotiate a settlement in the matter and not void the sale.

22. In a related development, in December 1989, VITELCO disconnected 451 telephone lines of government departments and agencies on St. Thomas and St. Croix for non-payment of bills of more than $438,000. The Executive Vice-President of Operations stated that federal and local-government offices owed the company in excess of $1 million. He noted that attempts to collect past due bills were made through personal visits and contacts and that it was unfortunate for such a situation to have developed. VITELCO had no alternative, therefore, but to disconnect the lines. The affected offices included the United States Attorney-General's office, the territorial Emergency Management Agency, the Justice and Police Departments (except for police emergency numbers) and the Property and Procurement Department.

23. After a meeting with the Commissioner for Finance, on 30 December 1989, the Chairman of VITELCO announced that the company would not disconnect any more government telephones before 8 January 1990. 6/ To date, no further disconnections have been reported.

24. The Territory is served by several major United States airlines, including American Airlines, Eastern Airlines and Pan American Airways, and several commuter and regional airlines. An inter-island seaplane provides cargo and passenger service between the Territory and Puerto Rico, an international transit point, as well as to the British Virgin Islands.

25. The strike in March 1989 and other problems faced by Eastern Airlines, the second largest airline serving the Territory, caused a severe blow to the Territory's economy, particularly the tourist and business sectors. The financial impact on the Territory was assessed at approximately $700,000 per day. Subsequently, the airlines, which transported more than 650 passengers daily to the Territory suspended its services. Other airlines, however, have begun increasing their seating capacities to compensate for the withdrawal of the Eastern Airlines service.

26. During the period under review, major developments affecting air transportation were the return of Eastern Airlines to the Territory in November 1989, for the first time in nearly one year, and the introduction of a daily scheduled flight by Continental Airlines, on 15 December 1989. Both airlines are owned by Texas Air Corporation, but are operated separately. Mr. Eric Dawson, the Commissioner for Economic Development and Agriculture, stated that the entry of Continental Airlines to the Territory was the culmination of negotiations started in 1988 between the territorial Government and officials of the airline. 7/

27. It was reported in February 1990 that the opening of the new Cyril E. King Airport, initially scheduled for July, would be delayed until 1 October 1990. The cost of the project was estimated to increase from $20.5 million to $25 million. Although the project was damaged by the hurricane, it did not qualify for Federal Emergency Management Agency disaster-relief funds. 8/

28. It was reported that American Airlines had agreed to provide assistance for repairs to the Alexander Hamilton Airport on St. Croix. The terminal was severely damaged by the hurricane. 9/

Notes

1/ The information contained in this paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United States of America, under Article 73 e of the Charter of the United Nations, on 13 March 1990.

2/ The Daily News (United States Virgin Islands), 23 February 1990.

3/ Ibid., 12 March 1990.

4/ Ibid., 29 January and 1 March 1990.

5/ Caribbean Insight, London, vol. 13, No. 3, March 1990.

6/ Ibid., 28 and 29 December 1989; and 4 January 1990.

7/ Ibid., 28 November and 14 December 1989.

8/ Ibid., 1 February 1990.

9/ Ibid., 20 October 1989.

UNITED
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A

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REGARD TO THE IMPLEMENTATION OF THE
DECLARATION ON THE GRANTING OF
INDEPENDENCE TO COLONIAL COUNTRIES
AND PEOPLES

ACTIVITIES OF FOREIGN ECONOMIC AND OTHER INTERESTS WHICH ARE IMPEDING THE IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES IN NAMIBIA AND IN ALL OTHER TERRITORIES UNDER COLONIAL DOMINATION AND EFFORTS TO ELIMINATE COLONIALISM, APARTHEID AND RACIAL DISCRIMINATION IN SOUTHERN AFRICA

ANGUILLA

Working paper prepared by the Secretariat

CONTENTS

	Paragraphs	Page
INTRODUCTION	1	2
I. ROLE OF FOREIGN CAPITAL	2	2
II. TOURISM AND REAL ESTATE	3 - 8	2
III. INTERNATIONAL BUSINESS	9 - 10	3
IV. TELECOMMUNICATIONS	11	3
V. OTHER ACTIVITIES	12 - 16	4

INTRODUCTION

1. Basic information on conditions in Anguilla is contained in the general working paper prepared for the current session of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples (A/AC.109/1026). Supplementary information concerning the activities of foreign economic and other interests in the Territory is presented below. 1/

I. ROLE OF FOREIGN CAPITAL

2. Foreign capital from Canada, the United Kingdom of Great Britain and Northern Ireland and the United States of America continues to play a dominant role in the economic life of Anguilla. The main areas of concentration of foreign investment are tourism, real estate and property development, international business and telecommunications. Tourism remains the main economic activity in the Territory, although the Government is continuing a policy of diversification.

II. TOURISM AND REAL ESTATE

3. As in the past, the tourist industry continues to be predominantly controlled by foreigners. In 1988, however, efforts were made by the Government, major donors and small hoteliers to rectify the structural imbalance of the industry whereby foreign economic interests owned and operated the larger, more successful hotels, and nationals operated only the smaller, less efficient units (see A/AC.109/976, para. 3). During the electoral campaign preceding the general elections of February 1989, the Chief Minister, Mr. Gumbs, quoting the manifesto of his ruling Anguilla National Alliance (ANA) party, stated that "no further licences will be granted for exclusively owned foreign investment in the hotel sector in the near future", and "every encouragement will be given to local and joint-venture investment in the hotel sector".

4. In December 1989, however, the Government was reported to be considering a proposal for the sale by its owners of Scrub Island, one of Anguilla's offshore islets, to an international group of French, Japanese and United States bankers for a complete island resort project. The sale price for the island was said to be between $US 60 million and $US 100 million, of which Anguilla's Treasury would receive $US 15 million. 2/

5. Sources indicated that the proposed development would attract up to 4,400 people to the island. The development, which is said to be unique in the Caribbean, would also feature two 220-room hotels, 70 luxury villas, a casino, a golf course, 20 tennis courts, a marina for 180 boats and 50 shops, as well as 30 restaurants and night-clubs.

6. The impact of the proposed sale on Anguilla and the existing tourist establishments was expected to be severe. 3/ According to the local press, the

sale itself, if concluded, would be in direct contradiction to the manifesto of the Anguilla National Alliance (ANA) party, which was circulated during the recent elections.

7. Other Anguillan owners of small islands were said to have advised against the proposed deal. It was not clear whether Anguillans would retain claim to any part of the island, or the right of access to the beach and coast if the island were sold. 2/

8. In its report on Anguilla for 1987, the Caribbean Development Bank (CDB) noted that the Government, as part of its policy of controlling the rate of growth of the tourist industry and with a view to maintaining its character as a high-income tourist destination, imposed a two-year moratorium on the granting of land-holding licences to expatriates, thus limiting hotel development.

III. INTERNATIONAL BUSINESS

9. The Government continued to promote the Territory as a haven for regional and international deposits. Its chief attractions were convertibility of a wide range of foreign currencies, an absence of rigid regulatory controls of the commercial banking system and no taxes on income and capital gains. In promoting a healthy banking and financial industry, the Government intended to carry out a comprehensive review of existing banking, company, insurance and trust legislation.

10. In its 1988 report on Anguilla, CDB stated that commercial bank deposits rose by 5.7 per cent between the end of December 1987 and the end of September 1988. Loans and advances increased by 24.5 per cent during the same period. An estimated 90 per cent of total loans were made to the private sector largely to finance consumer spending, real estate, housing construction and tourist-related activities. CDB also stated that construction was expected to decline following a number of major investments in 1988 and that, given emergency signs of a labour shortage, continued high rates of growth may exert inflationary pressures on the economy.

IV. TELECOMMUNICATIONS

11. Cable and Wireless (West Indies), Ltd., continued to be the sole owner and operator of telephone and telecommunication services in the Territory. In October 1988, the company signed an agreement with the Government for continuance of both internal and external telecommunication services for an additional 30 years.

V. OTHER ACTIVITIES

A. Fishing

12. Fishing, the second most important economic activity, has continued to be threatened because of poaching by foreign vessels using sophisticated fishing techniques. In March 1988, the Fisheries Development Officer of the Organization of Eastern Caribbean States (OECS) Secretariat pointed out that more than 20 foreign fishing vessels were operating in the eastern Caribbean, most of them illegally. He estimated that the vessels were taking nearly 5,500 kilograms of swordfish from the area every week. He also noted that some foreign vessels were engaged in so-called joint ventures with local fishermen in order to evade local laws, and he stressed the need for the harmonization of regional regulations governing foreign fishing vessels. According to the Officer, a surveillance programme had been developed following a mandate from the OECS heads of Government at their meeting in Saint Lucia in November 1987. Under the programme, a communications system was to be established to monitor the movement of foreign vessels in the area. He added that under the proposed harmonized legislation, fines of up to $EC 500,000 could be imposed and vessels seized.

13. In March 1989, Anguilla's Fisheries Director Albert Stevenson attended a one-week workshop in Dominica, held under the auspices of the Caribbean Conservation Association (CCA) and the Eastern Caribbean Natural Areas Management Programme. The meeting dealt with development projects for national parks and protected areas in the region, especially the marine and coastal zones. 4/

B. Drugs

14. The possible use of the Territory's offshore banking system to launder money by drug dealers and the use of Eastern Caribbean countries, including Anguilla, as major transit points in the illicit drug trade, has led the Government of the United Kingdom, as the administering Power, to review its policy towards its five Caribbean Territories and Bermuda and to conclude that it could no longer encourage those Territories to seek independence. On 16 December 1987, in his statement in the House of Commons of the United Kingdom concerning the outcome of the review, Mr. Timothy Eggar, United Kingdom Under-Secretary of State for Foreign and Commonwealth Affairs, said, inter alia, that the administering Power had already undertaken a programme to improve the defence of those Territories against the threat posed by drug trafficking, as part of a wider determination, in co-operation with the Government of the United States and regional Governments, to counter the drug threats in the region as a whole (see A/AC.109/946, paras. 18-21).

15. In May 1989, Anguilla put into effect its anti-drug law known as "The Drug Trafficking Offence Ordinance, 1988", first published in the Official Gazette on 29 December 1988. This law and the "Drugs (Prevention of Misuse) Ordinance" of 1987 provide for various penalties for drug offenders. 5/ During the reporting period, the local press expressed concern as to the number of visitors to the Territory who had been caught in possession of dangerous drugs. On each occasion, the offenders had pleaded guilty and had been fined. In all cases, however, they

had stated that they were unaware that they would be charged for possession of small quantities of dangerous drugs. The local press called on visitors to observe the laws. 6/

C. Banking

16. In March 1989, Nova Scotia Bank, a Toronto-based international bank, announced that it would open a branch in Anguilla in August which, according to the local press, would thus become the fourth commercial bank and the second international bank in the Territory. The press said that it would be a fully automated branch, capable of providing both locally and internationally all the services usually offered by that bank, including consumer loans and mortgages, commercial loans and letters of credit, term deposits, current and savings accounts and transfers throughout the bank's international network. 7/

Notes

1/ The information contained in this paper has been derived from published reports, including the Caribbean Development Bank Annual Report, 1987 (Barbados) and 1988.

2/ Vantage (Anguilla), 1 December 1989.

3/ Ibid., 13 December 1989.

4/ Ibid., 13 March 1989.

5/ Ibid., 12 May 1989.

6/ Ibid., 20 March 1989.

7/ Ibid., 13 March and 7 July 1989.

UNITED NATIONS

A

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20 April 1990

ORIGINAL: ENGLISH

SPECIAL COMMITTEE ON THE SITUATION
WITH REGARD TO THE IMPLEMENTATION
OF THE DECLARATION ON THE GRANTING
OF INDEPENDENCE TO COLONIAL COUNTRIES
AND PEOPLES

TOKELAU

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1 - 2	3
II.	CONSTITUTIONAL AND POLITICAL DEVELOPMENTS	3 - 27	3
	A. General	3 - 5	3
	B. Legislative developments	6 - 9	3
	C. Territorial and local government	10 - 18	4
	D. Public service	19 - 24	5
	E. Future status of the Territory	25 - 27	6
III.	ECONOMIC CONDITIONS	28 - 42	7
	A. General	28 - 29	7
	B. Agriculture, livestock and fisheries	30 - 34	7
	C. Transport and communications	35 - 36	8
	D. Public works	37 - 39	8

CONTENTS (continued)

		Paragraphs	Page
	E. Energy	40	8
	F. Trade	41	8
	G. Banking and credit	42	9
IV.	SOCIAL AND EDUCATIONAL CONDITIONS	43 - 53	9
	A. Health and social services	43 - 47	9
	B. Educational conditions	48 - 53	9

TOKELAU 1/

I. GENERAL

1. Tokelau, a Non-Self-Governing Territory administered by New Zealand, consists of three small atolls in the South Pacific (Nukunonu, 4.7 square kilometres; Fakaofo, 4.0 square kilometres; and Atafu, 3.5 square kilometres) with a total land area of approximately 12.2 square kilometres. Nukunonu, the central atoll, is 92 kilometres from Atafu and 64 kilometres from Fakaofo. Samoa, 480 kilometres to the south, is the nearest sizeable neighbour.

2. According to the 1986 census, the total population of Tokelau was 1,690, representing an increase of 118 as compared to 1981. There were 603 inhabitants on Atafu, 426 on Nukunonu and 661 on Fakaofo. The constraints of atoll life and population pressure have led some 3,000 Tokelauans to settle abroad, particularly in New Zealand and Samoa.

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. General

3. Tokelau is administered under the Tokelau Act, 1948, and its amendments. 2/ Tokelauans are New Zealand citizens under the provisions of the New Zealand Citizenship Act, 1977.

4. Under the Tokelau Act, the Minister for Foreign Affairs of New Zealand appoints the Administrator of Tokelau for a three-year term. Mr. N. Walter, the current Administrator, began his three-year term on 27 January 1988. The Administrator resides at Wellington and visits Tokelau annually. His responsibilities for the day-to-day administration of the Territory are in practice delegated to the Official Secretary, who heads the Office for Tokelau Affairs which, by agreement with the Government of Western Samoa, is based at Apia.

5. The Government of Western Samoa gives considerable assistance to Tokelauans, including access to secondary and vocational institutions and medical facilities.

B. Legislative developments

6. Tokelau's legislative and judicial systems are based on the Tokelau Act, 1948, as amended. New Zealand statutes apply to Tokelau only where explicit reference is made to the Territory and, in practice, no New Zealand legislation is extended to Tokelau without Tokelauan consent. The Governor-General of New Zealand is empowered to make such regulations as he deems necessary for the peace, order and good government of the Territory, and he does so after due process of consultation.

7. In the early 1980s, following a study that showed that Tokelau lacked a coherent legal system and that major reform was needed, a Tokelau Law Project was

undertaken, funded by the Tokelau budget and the United Nations Development Programme (UNDP). The aim of the project is to create a coherent body of law that will give due recognition to Tokelauan custom and grant legal authority to local institutions. The process involves ascertaining Tokelau's wishes through extensive consultations with Tokelauan representatives, who have formed a special committee for the purpose.

8. The first amendment to Tokelau legislation resulting from the Law Project was enacted by the New Zealand Parliament in 1986. The Tokelau Amendment Act, 1986, 3/ transfers jurisdiction for administering the law of Tokelau from the High Court of Niue to the High Court of New Zealand. The Act also provides for the High Court of New Zealand to exercise its jurisdiction in either New Zealand, Tokelau or "such other appropriate place as the Chief Justice may direct"; establishes the New Zealand Court of Appeal as the final Court of Appeal for Tokelau, thereby replacing the Privy Council of the United Kingdom of Great Britain and Northern Ireland; and extends the civil jurisdiction of the Tokelauan Commissioners on each atoll in line with the wishes of the General Fono (Council, see para. 10) and in conformity with traditional practice. Other provisions of the Act empower the Governor-General to delegate some of his revenue-gathering powers with respect to Tokelau and to affirm that freehold land may only be alienated to Tokelauans or to the Crown.

9. During the period under review, substantial new legislation was completed, including an amendment granting legal recognition to all Tokelauan villages and enabling them to enact their own laws covering village affairs.

C. Territorial and local government

10. The principal institution in Tokelau is the General Fono, which establishes policies for the administration of the Territory, takes decisions on the allocation of budgetary resources and makes policy decisions in all areas affecting Tokelauan life. No major policy question is approved by the Administrator or the Minister for Foreign Affairs without the endorsement of the Fono.

11. The General Fono met twice during the period under review. Steady progress continues to be made in giving the people of Tokelau a greater voice in the Territory's development priorities and budgetary issues. The General Fono consists of 15 representatives of each atoll chosen by its respective taupulega (Council of Elders). These generally comprise the head of each family group and include representatives of the women's committee and the aumaga (village work-force) as well as the elders themselves. The three taupulega are presided over by the faipule, who are the three joint chairmen of the General Fono.

12. During the reporting period, a number of specialized sub-committees and working groups of the General Fono were established. The Budget Committee considered expenditure and project proposals during its March 1989 meeting and presented a balanced budget for adoption by the General Fono. The Law Committee made progress in its law reform project and all its recommendations were adopted by the Fono. Other committees, such as those for handicrafts, agriculture, accident compensation and health, continue to consider new policies and forward recommendations to the General Fono.

13. The Government of New Zealand is committed to assisting Tokelau to attain a greater degree of self-government and economic self-sufficiency. While no timetable has been set for this, the New Zealand Government has regularly reminded the representatives of Tokelau of the desirability of continued progress towards self-government. It is the administering Power's stated intention, however, to be guided by the wishes of the Tokelauan people. Two United Nations Visiting Missions have so far been dispatched to Tokelau, one in 1981 (see A/AC.109/680) and the other in 1986 (see A/AC.109/877 and Add.1). Both Missions noted that the people of Tokelau were generally happy with their existing relationship with New Zealand and sought no constitutional changes. Addressing the Sub-Committee on Small Territories of the Special Committee on the Situation with Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, in June 1987, a representative of the Fono reiterated Tokelau's wish to maintain its present status, while continuing its efforts to promote further political development.

14. Officials of the Office for Tokelau Affairs and representatives of the New Zealand Government attend meetings of the General Fono in an advisory capacity.

15. On each of the three atolls, the principal organ of administration is the taupulega. Village activities come under the control of the pulenuku, village mayors, who are part of the taupulega. They are also responsible for the day-to-day administration of village affairs, the scheduling of work, water supplies and, in some instances, resolving land disputes. The faipule and pulenuku are elected by secret ballot and universal suffrage for a term of three years. The next elections will be held in January 1993.

16. The faipule represents the community of his atoll in its dealings with the Administrator, the Official Secretary and the officers of the Tokelau Public Service. He presides at meetings of the taupulega and usually serves the Court Commissioner. The three faipule also represent Tokelau at regional meetings and conferences from time to time.

17. In recent years, the three faipule and three pulenuku have made several visits to New Zealand for discussions with the Prime Minister and other officials on the political future of the Territory and to broaden their awareness of the general operation of the Government.

18. The General Fono agreed to continue its ongoing discussions with New Zealand on New Zealand's future relationship with Tokelau. Delegates at the October 1988 meeting of the General Fono agreed on the proposal for Tokelau to have its own flag and anthem.

D. Public service

19. The Tokelau Public Service serves as chief adviser to the General Fono and implements Fono decisions. It is headed by the Official Secretary.

20. The Tokelau Public Service is almost exclusively staffed by Tokelauans. In addition, there are six New Zealand-based Tokelauans employed under two- and three-year contracts. A doctor from Tuvalu, two United Nations Volunteers, a further two personnel from Volunteer Service Abroad (VSA), one New Zealand adviser and some Samoan members of the office at Apia constitute the non-Tokelauan staff.

21. As of 30 June 1989, Public Service staff totalled 376, comprising 169 employees in established positions, 31 temporary employees, 4 expatriates and 172 casual staff, as compared to a total staff of 346 in March 1988, (170 employees in established positions, 22 temporary employees, 4 expatriates and 150 casual staff). Casual employees are employed on a rotational basis. Employment in the Tokelau Public Service is the main source of regular income in Tokelau.

22. The State Services Commission, acting under the Tokelau Amendment Act, 1967, reviewed public service salaries and approved a cost of living adjustment of 5 per cent, effective on 1 December 1988. The New Zealand State Services Commission normally carries out an annual inspection of the Tokelau Public Service; the latest inspection took place in February-March 1989.

23. All directors of the Tokelau Public Service and the Official Secretary based at Apia made regular visits to Tokelau by ship during the year. Inadequate transport service, however, hampers the administration of the Territory from Apia and has limited the number of public servants able to attend courses overseas. Efforts are being made to improve shipping services to Tokelau.

24. Training awards were granted to members of the Tokelau Public Service by UNDP, the University of the South Pacific, the South Pacific Commission (SPC), the World Health Organization (WHO), and the Commonwealth Fund for Technical Co-operation.

E. Future status of the Territory

25. The people of Tokelau have repeatedly expressed the desire to retain their special relationship with New Zealand.

26. In a statement made on 3 May 1989 to the Sub-Committee on Small Territories, 4/ the representative of New Zealand said that his Government saw the maintenance of a free and open dialogue with Tokelau on all issues of importance to its future, including constitutional options, as an important part of its responsibilities as administering Power. New Zealand looked to Tokelau itself to take the initiative on proposals for change on major issues and was prepared to offer support and advice as required.

27. There were regular exchanges of views on issues such as constitutional development. The Administrator of Tokelau had indicated very clearly that New Zealand was committed to assisting Tokelau attain a greater degree of self-government and economic self-sufficiency. New Zealand regularly reminded the representatives of Tokelau of the desirability of constant progress towards self-government, and had put forward a number of suggestions and options for Tokelau to consider.

III. ECONOMIC CONDITIONS

A. General

28. The economy of Tokelau is basically at a subsistence level. Its further development is limited by its size, isolation and lack of resources. Apart from the salaries of public service employees (see para. 21), the main sources of income are copra, stamps, souvenir coins and handicrafts and remittances from Tokelauans resident abroad. Very little copra was exported during the year. The few trees which survived the 1987 cyclone produced a very high yield, however.

29. In February 1990, 5/ the Prime Minister of New Zealand announced that Tokelau had been severely hit by Hurricane Ofa, and that a Royal New Zealand Air Force reconnaissance flight over the Territory had revealed that 45 per cent of the homes had been destroyed. The storm had caused serious damage to sea-walls around the low-lying atolls of Tokelau. The Prime Minister added that an air drop of food had been made to the islands and that a Navy supply ship was on its way to the Territory.

B. Agriculture, livestock and fisheries

30. In order to protect the crops, programmes for the control of rats and rhinoceros beetle continue to be carried out. Nevertheless, the rhinoceros beetle has proliferated in some countries of the region, although it is well under control in Tokelau.

31. Tokelau's livestock now comprises pigs, fowl and ducks. Attempts to improve the local swine breed have achieved some positive results. Exotic breeds have successfully been interbred with local pigs, producing new bloodlines.

32. A study recording traditional tuna-fishing knowledge has been published. Further studies in this area are continuing with financial assistance from the South Pacific Regional Environmental Programme (SPREP). A trochus-seeding project introduced at Fakaofo, has been extended to cover Nukunonu and Atafu. Trochus stocks on Fakaofo have been replenished with 500 specimens from Aitutaki in the Cook Islands. A survey of clam and pearl oyster stocks has been completed, generating proposals for a reseeding and restocking programme for both species.

33. Negotiations have been completed for a Forum Fisheries Agency (FFA)-United States Tuna Treaty. The Treaty entitles FFA member countries to a share of the revenue earned from tuna caught in their fishing zones by the United States tuna industry. Tokelau stands to benefit by over $US 62,500 a year under the Treaty, which New Zealand negotiated on Tokelau's behalf.

34. In addition to the above, Tokelau qualifies under the Treaty for assistance for economic development projects from the United States Project Assistance and for technical assistance from the United States Government and the United States tuna industry. Proposals for the funding of projects under these allocations have now been finalized.

C. Transport and communications

35. Tokelau continues to rely on shipping links for all cargo and passenger transport. The MV Wairua, owned by a Fiji-based shipping company, made 14 charter trips to Tokelau in 1988-1989. Three additional charters were undertaken by the Western Samoa Shipping Company barge, MV Fotu, to transport building materials and heavy equipment for use in the reef channel project.

36. The new telecommunications system linking Tokelau to the outside world is now in operation. The International Telecommunication Union (ITU) and the manufacturer of the telecommunications equipment are trying to correct some technical problems in the system.

D. Public works

37. A two-storey administration building was completed at Fakaofo in October 1989, providing offices for the Tokelau Public Service and local elected leaders. The building is designed to provide accommodation for a health clinic, police office, post office, a village store and bulk storage, as well. A workshop, replacing a building damaged by the 1987 cyclone, has been completed for the Department of Public Works. Further, a doctor's residence has been built at Fakaofo.

38. During the period under review, a Women's Committee Centre, an Arts Centre and a separate bulk storage building were all completed at Nukononu and the doctor's residence at Fakaofo underwent major repairs. Construction was begun on a bridge that would replace an existing one.

39. A workshop for the staff of the Department of Public Works and an Adult Learning Centre have been built on the atoll of Atafu. An Industrial Arts Centre is currently under construction. The Department assisted families on all atolls in the reconstruction of their homes in the wake of the 1987 cyclone.

E. Energy

40. All three atolls were provided with UNDP-funded 36 kVA diesel generators to improve their electricity power supplies. New cables were laid to replace old wires and new pillar boxes were connected. Household metres were installed in each home. The Fenuafala (Fakaofo) power reticulation programme was begun and is scheduled to be completed later this year.

F. Trade

41. The Tokelau Public Service Administration worked closely with the Store Committee on each atoll to improve the management of the co-operative stores and to reduce the cost of goods coming into Tokelau. An increasing percentage of the goods now sold in Tokelau is imported directly from manufacturers in New Zealand, Australia and Fiji, rather than purchased through wholesale outlets at Apia.

G. Banking and credit

42. New Zealand currency and the Tokelau souvenir coin are legal tender in Tokelau.

IV. SOCIAL AND EDUCATIONAL CONDITIONS

A. Health and social services

43. Infectious communicable diseases continue to constitute the most serious health problems in Tokelau, although the situation is improving. An outbreak of dengue fever among children and young adults during the period under review did not result in any fatalities.

44. The water supply programme has increased the availability of fresh water to about 100 litres per person per day. The sanitation programme, aimed at replacing the traditional over-water latrine, has been accepted and is being implemented actively in the three islands.

45. Vector control activities are progressing well, with workers on the programme undertaking further training in Western Samoa.

46. Nutritional and metabolic diseases are on the rise again this year. Dental caries is prevalent among the young. A school dental health programme is addressing this problem through a child education campaign. The New Zealand Dental Corps has been requested to assist in this area and has agreed to visit the Territory in mid-1989.

47. The South Pacific Commission has arranged for a review of the Tokelau Health Service to commence in later 1989. It is hoped that this will identify problem areas in the Health Service and offer suggestions for improvement. Public health through health education is deemed to be the most important component of the Tokelau Health Service.

B. Educational conditions

48. Each of the three atolls has modern and well-equipped primary and secondary schools catering for children between the ages of 5 and 18. In 1987 a national form V class was introduced at Matiti School on Nukunonu. Education is free and school attendance is close to 100 per cent. There are also pre-school classes in each village.

49. Tokelau's teaching establishment comprises 43 qualified teachers and 8 teachers' aides. Each atoll has a Parent-Teacher Association that helps to organize school activities.

50. In the past years, students have sat examinations for scholarship selection at the form II level. Under the new policy, however, examinations will be given at the form V level at the end of 1990. It is felt that under the earlier system,

students were being sent overseas at too young an age. With the improvements to the school system in Tokelau, children will be better equipped for further studies overseas.

51. Adult learning centres have been established on each of the atolls, with a view to developing youth programmes, assisting school leavers and promoting adult learning. The centres offer programmes aimed at developing traditional skills such as carving and weaving. They also offer courses on specific trades such as sewing, outboard motor maintenance and engineering. Each centre is run by a co-ordinator who helps local tutors to conduct their courses.

52. Teachers are being encouraged to upgrade their professional and academic skills through correspondence courses and more frequent in-service training. One VSA volunteer from New Zealand, who is currently employed in Tokelau, is assisting with the establishment of form V science programmes and is providing in-service training to Tokelaun teachers.

53. Tokelaun students and trainees studying overseas under official sponsorship currently total 103.

Notes

1/ The information contained in this paper has been largely derived from information transmitted to the Secretary-General by the Government of New Zealand under Article 73 e of the Charter of the United Nations on 12 April 1990 for the year ended 30 June 1989.

2/ See Official Records of the General Assembly, Thirty-first Session, Supplement No. 23 (A/31/23/Rev.1), vol. III, chap. XVII, annex, appendices I-IV.

3/ The Tokelau Amendment Bill, 1986, was enacted into law at the end of July 1986 (see A/AC.109/877/Add.1, annex V).

4/ Press release GA/COL/2675, 3 May 1989, p. 2.

5/ Pacific Daily News (Guam), 13 February 1990.

UNITED NATIONS

A

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EAST TIMOR

Working paper prepared by the Secretariat

CONTENTS

		Paragraphs	Page
I.	GENERAL	1 - 2	2
II.	CONSIDERATION BY THE UNITED NATIONS	3 - 19	2
	A. General Assembly and other United Nations bodies	3 - 15	2
	B. Communications addressed to the Secretary-General	16 - 19	3
III.	POLITICAL DEVELOPMENTS	20 - 31	4
IV.	HUMAN RIGHTS SITUATION	32 - 34	5
V.	ECONOMIC AND SOCIAL CONDITIONS	35 - 40	8

EAST TIMOR

I. GENERAL

1. The island of Timor is located at the tip of the chain of islands forming the Republic of Indonesia. It lies between latitudes 8° 17'S and 10° 22'S and longitudes 123° 25'E and 127° 19'E. The Territory of East Timor comprises the eastern part of the island, the enclave of Oecusse Ambeno, the island of Ataúro off the northern coast and the island of Jaco off the extreme eastern tip.

2. The 1980 census recorded the total population of the Territory as 555,350. In 1990 it was estimated at 737,000. 1/

II. CONSIDERATION BY THE UNITED NATIONS 2/

A. General Assembly and other United Nations bodies

3. Between 1961 and 1982, the General Assembly annually reviewed the situation relating to East Timor and adopted resolutions thereon on the basis of the reports submitted to it by the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. 3/

4. In April 1977 and each subsequent year, the Government of Portugal apprised the Secretary-General of the fact that owing to the conditions prevailing in East Timor it was not possible to transmit the information called for under Article 73 e of the Charter of the United Nations. 4/

5. By its resolution 37/30 of 23 November 1982, the General Assembly requested the Secretary-General to initiate consultations with all parties directly concerned, with a view to exploring avenues for achieving a comprehensive settlement of the problem, and to report thereon to the Assembly at its thirty-eighth session; and requested the Special Committee to keep the situation in the Territory under active consideration and to render all assistance to the Secretary-General in order to facilitate implementation of the resolution.

6. Since 1983, the Secretary-General has kept the General Assembly apprised of the related developments in exercise of his good offices. 5/ In his latest progress report, submitted to the General Assembly at its forty-fourth session, 6/ the Secretary-General stated that he had obtained the reaffirmation, from both Indonesia and Portugal, of their commitment to achieving a comprehensive and internationally accepted solution to the question of East Timor.

7. At its thirty-eighth to forty-fourth sessions, the General Assembly deferred consideration of the question to its succeeding sessions. 7/

8. During the general debate at the forty-fourth session of the General Assembly, the representatives of Brazil, France, Guinea-Bissau, Luxembourg, Mozambique,

Portugal, Sao Tome and Principe, Spain and Vanuatu referred, inter alia, to the question of East Timor in their statements (A/44/PV.4, 6, 8, 11, 13, 17, 25 and 28). A point of clarification was made by the representative of Portugal at the 9th meeting (A/44/PV.9).

9. On 27 September 1989, in his statement during the general debate at the forty-fourth session of the General Assembly, the Minister for Foreign Affairs of Portugal reiterated the position of his Government on the question of East Timor (A/44/PV.8).

10. At the following meeting, also on 27 September, the representative of Indonesia made a statement in exercise of the right of reply and reiterated the position of his Government in respect of East Timor (A/44/PV.9).

11. Under the mandate entrusted to it and renewed annually by the General Assembly, the Special Committee continued its review of the question at its 1983 to 1988 sessions and heard statements by representatives of Member States and petitioners concerning the situation in the Territory. 8/

12. At its 1989 session, the Special Committee considered the question of East Timor at its 1347th, 1352nd and 1353rd meetings, between 7 and 14 August 1989. During those meetings, the Special Committee heard statements by the representatives of Indonesia (A/AC.109/PV.1347 and 1353) and Portugal (A/AC.109/PV.1353); as well as 18 petitioners (A/AC.109/PV.1352 and 1353).

13. At its 1353rd meeting, on 14 August 1989, the Special Committee decided, without objection, to continue consideration of the item at its 1990 session, subject to any directives that the General Assembly might give in that connection at its forty-fourth session (A/AC.109/PV.1353).

14. Since the adoption of its resolution 1983/8 of 16 February 1983 relating to East Timor, 9/ the Commission on Human Rights has not considered the question of East Timor. At the 41st meeting of the forty-first session of the Commission, on 5 March 1985, the Chairman announced that that body had taken action in private session, under Economic and Social Council resolution 1503 (XLVIII) of 27 May 1970, with regard, inter alia, to East Timor, and that the situation relating thereto was no longer under consideration by the Commission under the terms of that resolution. 10/

15. On 1 September 1988, the Sub-Commission on Prevention of Discrimination and Protection of Minorities, by 10 votes to 9, with 5 abstentions, decided not to take any action on a draft resolution on East Timor. 11/

B. Communications addressed to the Secretary-General

16. In a letter dated 4 August 1989 addressed to the Chairman of the Special Committee (A/AC.109/1002), the Permanent Representative of Indonesia to the United Nations reiterated the position of his Government on the question and requested that his letter be circulated as an official document of the Special Committee.

17. On 14 August 1989, the Permanent Representative of Indonesia addressed a letter to the Chairman of the Special Committee (A/AC.109/1002/Add.1) reiterating the position of his Government on the question of East Timor and requesting that the letter be circulated as an official document of the Special Committee.

18. On 28 November 1989, the Permanent Representative of Portugal addressed a letter to the Secretary-General on the question of East Timor and requested that his letter be considered an official document of the General Assembly and of the Security Council (A/45/57-S/21022).

19. On 15 December 1989, the Permanent Representative of Portugal addressed a letter to the Secretary-General on the question of East Timor and requested that his letter be circulated as an official document of the General Assembly and of the Security Council (A/45/60-S/21028).

III. POLITICAL DEVELOPMENTS

20. Under Indonesian Law 7/76 promulgated on 17 July 1976, East Timor was designated as an Indonesian province or a "first level region". The law provided for the establishment of a "Regional Government" consisting of a "Regional Secretariat" and a "Regional House of Representatives". Most of the posts in these bodies were filled by local inhabitants. East Timorese also participate in the work of the National House of Representatives and in the People's Consultative Assembly of Indonesia. 12/

21. On 23 April 1987, general elections for the National Assembly were held in Indonesia. According to an official Indonesian report, there were 360,144 voters registered with the East Timor Elections Committee. Of the total, 338,078 (93.7 per cent) voted for the ruling Functional Group (GOLKAR). 13/

22. On 18 September 1987, Mr. Mario Carrascalão was sworn in for a second five-year term as "Governor" of East Timor by the Indonesian Minister for Home Affairs.

23. According to a press release issued by the Permanent Mission of Indonesia to the United Nations on 6 July 1990, two new battalions of the Indonesian armed forces recently replaced the six battalions deployed in the Territory previously. The two new battalions are to be "specifically assigned with civic missions to work with the local people in development projects such as agriculture, building of infrastructures in villages and building houses of worship". 14/

24. A recent report of the Department of State of the United States of America, affirms, however, that frequent military operations were conducted in the Territory where Frente Revolucionária de Timor Leste Independente (FRETILIN) rebels continued sporadic activities in low-level insurgencies. 15/

25. Pope John Paul II visited East Timor on 12 October 1989 during his 10-day journey to Asia. During his four-hour stay at Dili, the Pope celebrated an outdoor mass, at the end of which a mêlée broke out between anti-government demonstrators and police officers. 16/

26. In his homily to the East Timorese, Pope John Paul II said, inter alia:

"For many years now, you have experienced destruction and death as a result of conflict; you have known what it means to be victims of hatred and struggle. Many innocent people have died, while others have been prey to retaliation and revenge. For too long, you have been suffering a lack of stability which has rendered your future uncertain. This distressing situation causes economic difficulties which, in spite of some relief, still exist, preventing the development needed to alleviate the burden which still weighs hardly on the population. Respect for the rights which render life more human must be firmly ensured: the rights of individuals and the rights of families. I pray that those who have responsibility for life in East Timor will act with wisdom and good will towards all, as they search for a just and peaceful resolution of present difficulties in order to bring about a speedy improvement of conditions of life which will permit you to live in social harmony, according to your own traditions and requirements, in serene and fruitful productivity." 17/

27. According to a press report, the papal visit was reportedly criticized severely by human rights advocates who claimed that it could give de facto sanction to Indonesia's takeover and to human rights abuses against East Timorese. 18/

28. Portuguese government officials reportedly expressed confidence that the Pope would appeal for a peaceful and negotiated solution of the question of East Timor. However, some press reports indicated that the Portuguese Government had expressed concern to the Vatican that Indonesia would seek to portray the visit as representing papal recognition of its sovereignty over East Timor. 18/

29. For his part, Pope John Paul II sought to relieve such concerns by stating that his visit was purely pastoral and that he had a duty to the largely Catholic population of the Territory. The diocese that covers the Territory is administered directly from Rome. 18/

30. The Foreign Affairs Directorate for Information of Indonesia reported that a parliamentary delegation of the Federal Republic of Germany had visited East Timor in September 1989. 19/

31. The Ambassador of the United States of America to Indonesia, Mr. John Monjo, visited East Timor in January 1990. 20/

IV. HUMAN RIGHTS SITUATION

32. Below is a summary of observations relating to the human rights situation in East Timor, contained in Country Reports on Human Rights Practices for 1989, Indonesia, published by the United States Department of State: 21/

Despite progress in some areas, including greater freedom of movement for Indonesians and foreigners to and within East Timor, as well as continued tolerance for ethnic, racial and religious differences, serious human rights

problems remain. These include periodic detentions of East Timorese suspected of being FRETILIN sympathizers, temporary disappearance of persons held for interrogation by security forces, harsh sentences meted out in several subversion trials, continued significant restrictions on freedom of the press and movement, and pervasive political controls which ensure continued military domination of the Government.

Cases of torture and mistreatment of criminal suspects, detainees and prisoners are reportedly frequent. Police treatment of detainees, even in minor incidents, often results in physical abuse. Several students detained in the wake of the Pope's visit to East Timor in October were reportedly beaten. East Timorese Bishop Belo and others allege mistreatment and torture by security forces in East Timor of persons detained on suspicion of aiding or sympathizing with the FRETILIN guerrillas, charges which are denied by officials. Rebels in East Timor reportedly harass and terrorize civilians from time to time.

Judicial warrants for searches are required except for cases involving suspected subversion, economic crimes and corruption. However, forced or surreptitious entry by security agencies reportedly occurs regularly. Security agencies also conduct surveillance of persons and residences to intimidate. Correspondence generally is not monitored, although letter mail to and from East Timor may still be an exception.

The Constitution guarantees religious freedom. The Catholic Church operates freely in East Timor.

Restrictions on freedom of movement exist. Permits to seek work in a new location are required in certain areas. Beginning in January 1989, restrictions on movement to, from and within East Timor eased considerably under a policy of "normalizing" East Timor's status. None the less, frequent security checks affect virtually all transportation and travel in East Timor outside Dili. Curfews and other restrictions on movement are often in force at times of military operations in a given area. Family visits back to East Timor by East Timorese living in Australia began in 1988 and continued in 1989.

The Government considers outside investigations of alleged human rights violations to be interference in its internal affairs. Amnesty International has been refused access to Indonesia; Asia Watch visited Indonesia in 1988 and 1989. Access specifically to East Timor by representatives of such organizations - which the Government considers biased - has traditionally been restricted. However, Amnesty International and Asia Watch have not yet tested the new East Timor "normalization" policy, which appears to have eased those restrictions. Diplomats and some journalists are encouraged to visit East Timor.

The International Committee of the Red Cross (ICRC) is authorized by the Government to visit persons gaoled in connection with armed resistance in East Timor. One press report in 1989 suggested that many have not been visited despite the Government's pledge. ICRC provides medical and food aid to

prisoners and their families; carries out medical and nutritional surveys in villages in East Timor; and arranges family reunification in East Timor and abroad (mainly Portugal), as well as repatriation to Portugal of former Portuguese civil servants and their families in East Timor.

33. Summarized below are observations relating to human rights practices in East Timor, contained in a recent report issued by Amnesty International entitled East Timor: Short-term Detention and Ill Treatment: 20/

During the period from October 1989 to January 1990, some 25 East Timorese, most of them students, were detained for their alleged participation in a series of pro-independence demonstrations. Many of detainees were reportedly released after questioning, but a number were reported to have been ill-treated or tortured at the time of arrest and while in detention. It is believed that at least 10 remained in various military detention centres in December 1989, although military and government authorities denied that information.

Most of those detained were accused, either formally or informally, of association with FRETILIN. According to the report, nearly all reported political prisoners in East Timor over the past 14 years were similarly accused.

Describing the pattern of detention and ill-treatment, the same source indicates that it is only after being formally charged that political prisoners are transferred to regular prisons under civilian control, such as L.P. Becora in Dili. Before having been charged or tried, political prisoners are held at a District or Sub-district Military Command (KODIM or KORAMIL), or in other unofficial detention centres used by Indonesian military and intelligence authorities for unofficial incarceration and interrogation. Ill-treatment and torture of people held in military detention centres is reported to be frequent.

34. Summarized below are observations related to the human rights situation in East Timor, contained in an Asia Watch report entitled Human Rights in Indonesia and East Timor: An Update: 22/

The Indonesian presence, with tens of thousands of civil servants and security forces, tight restrictions on basic freedoms and widespread corruption, causes deep resentment of the population of East Timor. A series of arrests took place in East Timor in April, May and June 1989, and some 75 persons are believed to have been arrested in Dili, Lospalos, Manatuto, Baucau and Lachbar.

On 17 December 1989, a bipartisan group of 114 members of the United States House of Representatives wrote to the United States Secretary of State stating that they were "deeply disturbed" at reports of arrests following a 12 October 1989 demonstration at Dili during the visit to the Territory of Pope John Paul II. They said that the use of torture to extract confessions "would fall into a well established pattern in East Timor ... of mistreatment and abuse of detainees in the period immediately following arrest".

V. ECONOMIC AND SOCIAL CONDITIONS

35. In the absence of information under Article 73 e of the Charter, and for the reasons explained in paragraph 4, the information contained in this section has been derived from sources other than the Portuguese Government.

36. According to press releases issued by the Permanent Mission of Indonesia to the United Nations, 23/ the prevailing economic and social conditions in East Timor can be described as follows:

> "Education was compulsory for children from 7 to 12 years of age."
>
> "East Timor has managed to construct 565 school buildings with no less than 105,058 students."
>
> "More than 50 per cent of the junior high school graduates in East Timor were accommodated in the senior high school in 1989."
>
> "Senior high school as of the end of 1989 had [the] capacity to accommodate 3,910 new students."
>
> "At the beginning of 1990 fiscal year, the management of [the] East Timor budget will be transferred fully to the local government level II (regencies)."
>
> "Local government of East Timor in fiscal year 1988/89 procured 205,000 fish breeds for fishermen. This breeding procurement consists of 200,000 [fish] breeds from central government fund and the rest from sectoral fund."
>
> "The production of fish in East Timor at the end of 1989 reached 702.95 tons, consisting of 39.95 tons of inland fish and 663 tons of sea fish."
>
> "As of 31 March 1989, East Timor had 2,325 kilometres of roads and 19 bridges with a total length of 959 metres."
>
> "In 1984, the plantation acreage was recorded at about 148,000 hectares, producing about 20,811 tons of commodities."

37. In 1989, the total plantation acreage in the Territory was estimated by Indonesian authorities to have increased to 164,867 hectares. Production data for individual commodities for 1989 were given as follows: coffee, 8,543 tons; coconut, 8,413 tons; kapok, 2,476 tons; nuts, 2,301 tons; candel nuts, 573 tons; tobacco, 249 tons; cloves, 8.3 tons; vanilla, 6.5 tons; pepper, 0.60 tons; and cocoa, 31.4 tons. 23/

38. According to the Indonesian Foreign Affairs Directorate for Information, "foreign funds amounting to $US 323,000 were spent for the development of clean water facilities and healthy environment in East Timor, or over 73 per cent of the total sum of $US 439,500 provided by the United Nations Development Programme (UNDP). That project was also financed with local funds amounting to $US 173,192 from the State budget. Implementation was focused on regencies having poor

facilities, such as Dili, Liquiça, Bobonaro and Ambeno, where the greater part of residents had to use impure water. The project also included training for local personnel and field workers in charge of providing information on a healthy environment and hygienic methods. Through that project, the infant mortality rate in the Territory was expected to drop from 90 to 60 per 1,000 births at the end of 1994". 24/

39. The Directorate, referring to an announcement made by Directorate-General of Tourism, reported that East Timor was available for tourist travel. The necessary travel, communications, housing facilities and supporting activities had been found adequate to accommodate vacationers at Dili, Ainaro, Covalima, Aileu, Ermera, Liquiça, Bobonaro and Ambeno. Indonesia's national transportation network included daily scheduled airline connections to East Timor. The Indonesian State-owned shipping company PELNI began serving Dili in May 1989. A passenger ship, MV Kelimuter, docked at Dili once a month. A ship, with a capacity of 1,904 passengers, regularly served the cities of Semarang, Ujungpangdang, Banjarmasin, Surabaja, Lembar, Bima, Waingapu, Kupang and Dili. 25/

40. According to the same source, 26/ on 11 December 1989 Indonesia and Australia signed a comprehensive agreement for a zone of co-operation for exploration and exploitation of offshore oil resources in Timor Gap. The agreement was to be implemented in 1990 following its ratification. See also the communications referred to in paragraphs 18 and 19 above.

Notes

1 World Population Prospects, 1988 (United Nations publication (ST/ESA/SER.A/106), Sales No. E.88.XIII.7), p. 354).

2/ For details, see corresponding sections of the previous working papers contained in documents A/AC.109/L.1328, A/AC.109/623, 663, 715, 747, 783, 836, 871, 919, 961 and 1001.

3/ See General Assembly resolutions 1699 (XVI), 1807 (XVII), 1913 (XVIII), 2107 (XX), 2184 (XXI), 2395 (XXIII), 2507 (XXIV), 2707 (XXV), 2795 (XXVI), 2918 (XXVII), 3113 (XXVIII), 3294 (XXIX), 3485 (XXX) and 31/53, relating to the question of Territories under Portuguese administration, including East Timor; see also Assembly resolutions 32/34, 33/39, 34/40, 35/27, 36/50 and 37/30 on the question of East Timor.

4/ See A/35/233, A/36/160, A/37/113, A/38/125, A/39/136, A/40/159, A/41/190, A/42/171, A/43/219, A/44/262 and A/45/172. Owing to a lack of official information from the administering Power, the information contained in the present paper has been derived from published reports.

5/ A/38/352, A/39/361, A/40/622, A/41/602, A/42/539 and A/43/588.

6/ A/44/529.

Notes (continued)

7/ General Assembly decisions 38/402, 39/402, 40/402, 42/402 and 43/402; and A/41/PV.3 and A/44/PV.3.

8/ Official Records of the General Assembly, Thirty-eighth Session, Supplement No. 23 (A/38/23); ibid., Thirty-ninth Session, Supplement No. 23 (A/39/23); ibid., Fortieth Session, Supplement No. 23 (A/40/23); ibid., Forty-first Session, Supplement No. 23 (A/41/23); ibid., Forty-second Session, Supplement No. 23 (A/42/23); and ibid., Forty-third Session, Supplement No. 23 (A/43/23).

9/ See Official Records of the Economic and Social Council, 1983, Supplement No. 2 (E/1983/14-E/CN.4/1983/60).

10/ Ibid., 1985, Supplement No. 2 (E/1985/22-E/CN.4/1985/66), paras. 276 and 277.

11/ E/CN.4/Sub.2/1988/L.26 and press release HR/3361.

12/ Under the Indonesian Constitution, the People's Consultative Assembly is the highest organ of government.

13/ Permanent Mission of Indonesia to the United Nations, press release No. 05/PR/070787, 7 July 1987.

14/ Permanent Mission of Indonesia to the United Nations, press release No. 05/PR/070790, New York, 6 July 1990.

15/ United States Department of State, Country Reports on Human Rights Practices for 1989, Indonesia (United States Government Printing Office, Washington, February 1990), p. 849.

16/ The Washington Post, 10 October 1989 and 13 October 1989; The Christian Science Monitor, 11 October 1989; The New York Times, 13 October 1989.

17/ L'Osservatore Romano, 23 October 1989.

18/ The Washington Post, 10 October 1989.

19/ Republic of Indonesia, Foreign Affairs Directorate for Information, News and Views, vol. 2, No. 15, September 1989.

20/ Amnesty International, East Timor, Short-Term Detention and Ill-Treatment, January 1990 (Amnesty International index: ASA 21/02/90, DISTR.: SC/CO/GR).

21/ United States Department of State, Country Reports on Human Rights Practices for 1989, Indonesia (United States Government Printing Office, Washington, February 1990), pp. 849-866.

Notes (continued)

22/ Asia Watch, Human Rights in Indonesia and East Timor: An Update, February 1990.

23/ Permanent Mission of Indonesia to the United Nations, press releases Nos. 04/PR/022790 and 05/PR/070790.

24/ Republic of Indonesia, Foreign Affairs Directorate for Information, News and Views, Indonesia, vol. 3, No. 18, February-March 1990.

25/ Ibid., vol. 2, No. 12, June 1989.

26/ Ibid., vol. 2, No. 17, December 1989; see also A/45/57-S/21022 and A/45/60-S/21028.

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REGARD TO THE IMPLEMENTATION OF THE
DECLARATION ON THE GRANTING OF
INDEPENDENCE TO COLONIAL COUNTRIES
AND PEOPLES

EAST TIMOR

Working Paper prepared by the Secretariat

Addendum

1. Page 2, paragraph 8, second line

After France, insert on behalf of the 12 members of the European Community (EC),

2. Page 3

After paragraph 15 insert the following new paragraph 16

16. On 31 August 1989, the Sub-Commission on Prevention of Discrimination and Protection of Minorities adopted by secret ballot, by 12 votes to 9, with 3 abstentions, resolution 1989/7 entitled "Situation in East Timor", whereby it recommended to the Commission on Human Rights that it consider, at its forty-sixth session, the human rights situation and fundamental freedoms in East Timor (see E/CN.4/Sub.2/1989/58-E/CN.4/1990/2).

and renumber the succeeding paragraphs accordingly.

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45